Annual Report

2013

PSI

CUMANN CÓGAISEOIRÍ NA hÉIREANN

The Pharmaceutical Society of Ireland

AN RIALTÓIR CÓGAISÍOCHTA

THE PHARMACY REGULATOR

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Foreword

This annual report is presented to the Minister for Health in accordance with paragraph 17(1) of Schedule 1 to the Pharmacy Act 2007.

The Pharmaceutical Society of Ireland

The Pharmaceutical Society of Ireland (PSI) is the statutory body for pharmacists and pharmacies in Ireland, established by the Pharmacy Act 2007. It acts in the public interest to regulate the profession.

PSI Council (1st January to 31st December 2013)

As at 31st December 2013 the PSI Council consisted of the President, Vice-President and 16 other Council members, as follows:

President:

Mr. Eoghan Hanly*

Vice-President:

Mr. Noel Stenson*

Council Members:

Mr. Jim Brophy**

Ms. Nicola Cantwell*

Ms. Leonie Clarke*

Mr. Richard Collis*

Mr. John Corr*

Dr. Ann Frankish*

Dr. Jean Holohan**

Dr. Chantelle Macnamara**

Prof. Kieran Murphy**

Prof. Ciaran O'Boyle**
(Continuing professional development (CPD) in relation to pharmacy)

Mr. Fionán Ó Cuinneagáin**

Mr. Pat O'Dowd**
(Health Service Executive (HSE) Nominee)

Prof. Caitriona O'Driscoll**
(Pharmacy Schools Nominee)*

Mr. Keith O'Hourihane*

Mr. Conor Phelan*

Ms. Rita Purcell**
(Irish Medicines Board (IMB) Nominee)

At 31st of December 2013 there were three outstanding appointments to be made to the PSI Council by the Minister for Health.

Council Members who were in office for a period of 2013 are outlined below:

Mr. John Collins*

Ms. Margaret Doherty*

Mr. Paul Fahey (President)*

Mr. Aidan Horan**

Ms. Ita Kelleher**

Ms. Deirdre Larkin**

Prof. Kenneth McDonald (Health Service Executive (HSE) Nominee)**

Mr. Fachtna Murphy**

Ms. Michelle Ní Longáin**

* *Pharmacist*

** *Ministerial appointees as per s10(3) of the Pharmacy Act 2007*

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The names of the members of the Advisory Committees to Council are listed in Appendix B to this report. The organisational structure of the PSI is available on the PSI's website.

The Internal Audit function for 2013 was undertaken by accountancy firm Crowleys DFK, 16/17 College Green, Dublin 2. The External Auditors in 2013 were OSK Audit Ltd., East Point Plaza, Eastpoint Business Park, Alfie Byrne Rd, East Wall, Dublin 3.

Introduction

Mr. Eoghan Hanly, PSI President

In accordance with Schedule 1 paragraph 17 of the Pharmacy Act 2007 (The Act), the PSI is pleased to submit this Annual Report for 2013.

The Council of the PSI approved a Corporate Strategy 2013-2017 which outlines the PSI's key objectives over the next five years and Council members and staff remain focussed on the delivery of these strategic objectives and our primary focus is to protect and promote the health, safety and well-being of patients and the public.

Having been elected as PSI President in July 2013, I follow in the footsteps of Mr. Paul Fahey, who over a two year term oversaw the PSI's Council in the progression of core developments for pharmacy in Ireland. Several of these projects in education and the implementation of the new continuing professional development (CPD) model are ongoing programmes that continue to be key strategic initiatives for the PSI.

In September, the PSI published a report evaluating the 2012/2013 seasonal influenza vaccination service provided by pharmacists. The report found that the service is operating effectively with no quality or safety concerns. The number of patients accessing vaccinations through pharmacies increased significantly during 2012/2013 when compared to the previous season, with patients expressing satisfaction with the service provided. Council also approved the providers of vaccination training for the 2013/2014 season.

2013 saw continued engagement between the PSI, Schools of Pharmacy and the Higher Education Institutions as well as consultation and engagement with many others under the auspices of the National Forum for Pharmacy Education and Accreditation, to inform the roll-out and accreditation of the new five year fully integrated Masters degree programme that will replace the existing four year Bachelor degree and one year Masters internship programme. The work of the PSI and the National Forum in 2013 included ensuring communication about the programme to the wider pharmacy network and to existing and potential tutor pharmacists. The country-wide information meetings held in Spring were hugely successful and well received, providing opportunities for interactive sessions to discuss pharmacy education, the Irish Institute of Pharmacy (IIOP), which commenced operations in August, and the core competency framework, a central document for pharmacy and pharmacists in Ireland.

The International Pharmaceutical Federation Congress (FIP), held in Dublin in September 2013, brought a world of pharmacy to Ireland's door. As local host, the PSI was delighted with the success of the Congress and numbers of visiting attendees, and the many collaborative activities undertaken with FIP and pharmacy bodies across Ireland.

In its role as regulator, the PSI continued its routine inspection of pharmacies, ensuring that the PSI remains on target to have completed a full cycle of pharmacy inspections by the end of 2014. This work continues to ensure appropriate standards of care and professional competence that is vital for public and patient trust in the profession.

The new fit for purpose PSI headquarters at Fenian Street in Dublin city centre is essential in facilitating Council and staff as they carry out their functions. Members of the profession and the public are welcome to visit the premises with its Museum and Library on the ground floor. It is hoped in time that these will provide an archive of pharmacy in Ireland.

As President, I would like to take this opportunity to acknowledge the dedication of PSI staff in their work and to commend Ms. Ciara McGoldrick for her leadership of the organisation as Acting Registrar for an extended period of 18 months and Ms. Marita Kinsella, who took up the position of PSI Registrar in October 2013, and since then has been working closely with Council in meeting its role and responsibilities. I would also like to thank the outgoing President, Mr Paul Fahey, for his significant role and achievements, during his term that encompassed the first half of 2013.

I would like to acknowledge our continued close working relationship with the Department of Health, Department of Agriculture, Food and the Marine, Department of Education and Skills, the Health Service Executive, the Schools of Pharmacy, other regulators and patient representative groups. I would also like to thank Minister James Reilly and Minister Alex White for their support during the year.

Eoghan Hanly

President

Registrar's Report

I am pleased to report that 2013 was another successful year for the Pharmaceutical Society of Ireland with sustained achievement of meeting the organisation's mission to protect and promote the health, safety and well-being of patients and the public. Substantial work was done to ensure that the PSI continues its progress on a range of strategic developments, as outlined in the Corporate Strategy 2013-2017, whilst at the same time delivering its operational functions in line with the Pharmacy Act 2007.

The PSI's role has evolved considerably since the introduction of the Pharmacy Act 2007. There has been significant expansion of the PSI's responsibilities with new procedures developed and implemented to ensure patient safety and public protection. Communication with patients and the public, the profession and key stakeholders is a core strategic objective of the PSI and in 2013 the PSI continued to implement the Communication Strategy approved by Council in 2012.

The PSI strives to ensure that pharmacy services are delivered in a competent, professional and ethical manner and in an appropriate environment, to the highest standards of quality care and best practice. Throughout the year the PSI focused its resources on driving improvements that provided maximum impact and benefit for patients, members of the public and the pharmacy sector.

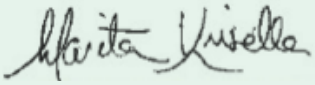
In 2013 we worked collaboratively with a number of stakeholders in order to facilitate and support the implementation of integrated clinical and therapeutic care and to encourage, facilitate and support the greater involvement of pharmacists in the delivery of integrated, patient centred, cost-effective health services. The PSI also enhanced its working relationships with other regulators both at home and abroad, in order to strengthen its services and regulatory functions in line with best international practice.

The PSI continued to support the development of new and novel pharmacy services through effective regulatory processes, and to facilitate enhanced accessibility of pharmacy services by patients. The PSI continues to seek the safe and optimal use of medicines, and to ensure that pharmacists and pharmacies are in a position to meet the evolving needs of patients and the public.

The reform and development of pharmacy education continued in 2013 with significant progress being made on implementing a new structure for the pharmacist qualification with the assistance of the National Forum and the PSI's model of continuing professional development through the commencement of the work of the Irish Institute of Pharmacy.

I would like to take this opportunity to acknowledge the staff of the PSI for their enthusiasm, commitment and for the professional manner in which they perform their duties at all times. On behalf of the staff I would also like to acknowledge the President, Vice-President and Council Members past and present for the strategic guidance provided by them in 2013.

I look forward to working with PSI Council, its Committees and the profession as a whole in building upon the achievements of 2013 with the continued development of the pharmacy profession in Ireland, in the interest of public health and safety.



Marita Kinsella

Registrar/CEO

The Role and Function of the PSI

The Pharmaceutical Society of Ireland (PSI) is an independent statutory body, established by the Pharmacy Act 2007. It is charged with, and is accountable for, the effective regulation of pharmacy services in Ireland, including responsibility for supervising compliance with the Act. It works for the public interest to protect the health and safety of the public by regulating the pharmacy profession and pharmacies.

Our Role

The PSI regulates the professional practice of approximately 5,200 pharmacists, 480 pharmaceutical assistants and 1,800 pharmacies.

The main role of the PSI includes:

- registration of pharmacists and pharmacies;
- improving the profession of pharmacy including ensuring that all pharmacists are undertaking appropriate continuing professional development (CPD);
- setting of standards for pharmacy education and training;
- accreditation of educational programmes for the pharmacy profession at different levels;
- quality assurance of standards, and the development of pharmacy practice;
- inspection and enforcement, including the taking of prosecutions;
- handling complaints and disciplinary matters, including the imposition of sanctions;
- provision of advice to the Government on pharmacy care, treatment and service in Ireland.

Our Responsibilities

The Pharmacy Act 2007 came into full effect on 1st August 2009. Under the Act, the PSI is required to:

- prescribe the qualifications required for practice and accredit and monitor educational institutions and degrees, courses of studies, or programmes;
- register pharmacists, pharmaceutical assistants and pharmacies, and maintain the registers;
- ensure compliance by pharmacists, pharmacy owners, and others, with the pharmacy and medicines laws of the State;
- provide advice, guidance and direction to pharmacists and pharmacy owners when required;
- set standards of professional competence and ethical conduct;
- review and promote the competence and conduct of pharmacists;
- recognise, accredit, and set programmes of education and training to ensure the ongoing competence of pharmacists;
- receive and act on complaints and information about the competence and conduct of pharmacists and pharmacy owners;
- conduct inquiries into complaints and impose sanctions as appropriate;
- work with other bodies about matters of mutual concern, patient safety and the public interest;
- provide information and guidance to the public and to the political system on matters relating to our statutory functions;
- report and be accountable to the Minister for Health, the Department of Health, and to the Oireachtas.

Organisation and Governance

The PSI is governed by a 21 member Council, with a non-pharmacist majority, appointed by the Minister for Health. The primary role of the PSI Council is protection of the public interest through the effective regulation of the profession and practice of pharmacy. An executive staff at the PSI offices in Dublin supports the work of the Council. Our main operating units are:

- Office of the Registrar / Chief Executive Officer, including Corporate Governance;
- Fitness to Practise and Legal Affairs;
- Professional Development and Learning;
- Registration and Qualification Recognition;
- Pharmacy Practice Development;
- Inspection and Enforcement;
- Administration and Finance; and
- Communications and Public Affairs.

Our Mission

The PSI, as the pharmacy regulator, acts to protect and promote the health, safety and well-being of patients and the public.

Our Vision

We aim to ensure that pharmacy services are delivered in a competent, professional and ethical manner and in an appropriate environment, to the highest standards of quality care and best practice.

Our Values

The PSI's values are to operate with:

- Commitment to the safety of patients and the public, as our highest priority;
- A focus on supporting excellence in pharmacy education and practice;
- Accountability and responsibility;
- Independence, integrity and high professional and ethical standards;
- Openness, accessibility and transparency;
- Consistency, fairness and equity;
- Excellence and professionalism;
- An ethos of continuous learning, including commitment to the development of PSI staff and of Council and Committee members.

PSI Council

The PSI Council held nine meetings in 2013 on the following dates: 7th February; 26th March; 25th April; 16th May; 17th and 18th July; 16th August; 27th September; 17th October and 12th December.

The overall attendance at Council and Committee meetings was high. This reflects the high level of commitment from individual members of Council and Committees. As required under the Code of Practice for the Governance of State Bodies, the attendance levels, fees and expenses paid to members of the Council are set out in Appendix A and C.

PSI Council 2013 - Major Policy Initiatives

The main areas of activity during 2013 have been aligned to their relevant strategic objectives as outlined in the PSI's Corporate Strategy 2013-2017.

Promoting Lifelong Learning

- Accreditation of the BSc (Pharm) degree programme delivered by the Royal College of Surgeons in Ireland (RCSI) was approved by Council in March
- Accreditation of the BPharm degree programme delivered by the School of Pharmacy in University College Cork was approved by Council in July
- Accreditation of the BSc (Pharm) degree programme delivered by the School of Pharmacy & Pharmaceutical Sciences in Trinity College Dublin was approved by Council in October
- Procurement of a provider for the management of the National Pharmacy Internship Programme was approved by Council in July and a contract signed with the Royal College of Surgeons Ireland in December following the public procurement process
- Memorandum of Understanding between the PSI and the US Accreditation Council for Pharmacy Education through its International Services Programme was approved by Council in July
- Revised Terms of Reference and establishment and appointment of members of the Irish Institute of Pharmacy Steering Group were approved by Council in March and July
- Revised Marks and Standards document for the 2013-2014 MPharm programme provided by RCSI was approved by Council in October
- Accreditation standards for the five year fully integrated Masters degree programme in pharmacy were approved in principle by Council in December
- Approval of the annual work programme for the 2014 funding stream of the Irish Institute of Pharmacy was approved by Council in December

Continuing to Assure High Standards of Patient Care and Good Pharmacy Practice

- Guidance for pharmacists on the use of Digital and Social Media was approved by Council in April
- Guidance on the Provision of Testing Services in Pharmacies was approved by Council in December

Facilitating the Development of Pharmacy as a Profession in Ireland

- Seasonal influenza vaccination training programme for the 2013-2014 season and the associated accreditation process was approved by Council in May
- Revised guidance on the provision of seasonal influenza vaccination service by pharmacists in retail pharmacy businesses was approved by Council in May
- Training providers of the seasonal influenza vaccination training programme were approved by Council in August

Ensuring Fair Registration Procedures

- Revised syllabus for the Equivalence Examination under the "Recognition of a Third Country Qualification as a Qualification Appropriate for Practice in Ireland" process was approved by Council in April
- Revised continued registration forms were approved by Council in July
- Revised restoration policy was approved by Council in October

Ensuring the Delivery Capacity of the PSI

- Appointment of a new Registrar
- Approval was received from the Department of Health to recruit eleven additional staff in 2013
- PSI adopted a performance management system in 2013

Corporate Governance

- The Service Plan for 2013 and the Corporate Strategy 2013-2017 were approved by Council in March and implementation monitored on a quarterly basis through the year
- Induction training for new Council members took place in July
- The Charter of the Audit Committee was reviewed and approved by Council in August
- External Auditors were appointed by Council in December
- Extension to the current contract with the Internal Auditors was approved by Council in July

Getting our Message Out

- PSI continued to implement the Communications Strategy approved by Council in 2012
- PSI held eight country-wide information meetings in Spring, to discuss pharmacy education, the Irish Institute of Pharmacy (IIOP), which commenced operations in August, and the core competency framework, a central document for pharmacy and pharmacists in Ireland

Delivering an Effective Compliance System

- PSI continued in 2013 to refine and develop the system of inspection and enforcement across all types of pharmacy, combining the requirements of the legislation with the nature of pharmacy practice within each sector

Highlights and Key Activities

Office of the Registrar

The Office of the Registrar incorporates Corporate Affairs and Governance and provides support to the achievement of strategic and operational objectives by enabling effectiveness through appropriate and efficient internal systems and processes. The Unit is also responsible for advising on and ensuring compliance with legislative and corporate governance requirements including Ethics in Public Office Acts, Internal Audit, Risk Management, scheduling and supporting meetings of the PSI Council. The Unit also has responsibility for co-ordinating and managing corporate publications such as the annual Service Plan, Annual Report and Corporate Strategy and overseeing the management and response to parliamentary questions and public consultations.

The Corporate Strategy 2013-2017, was approved by Council on 26th of March and builds upon the substantial work undertaken in the previous strategy period to implement the reforms arising from the Pharmacy Act 2007. The document outlines the key objectives of the PSI over the period 2013-2017.

The Service Plan for 2013 was developed by the Executive in conjunction with Council and Advisory Committees and was approved by Council on 26th of March 2013. The PSI's Balanced Scorecard sets out the key objectives, targets and timescales over four quadrants, representing the main areas of the PSI's operational focus; its main business processes; its plans for learning and growth within the organisation; its relationship with its customers and stakeholders; and its arrangements for resource management and governance. Use of this Scorecard provides the Council with a clear and straightforward mechanism for measuring the organisation's performance in areas of greatest strategic importance, and quarterly implementation reports are presented to the Council.

On the 18th of April 2013 in line with the Pharmaceutical Society of Ireland (Council) Rules 2008, SI No. 42 of 2008 a Council election was held and the following registered pharmacists were elected: Ms. Nicola Cantwell, Mr. Richard Collis, Dr. Ann Frankish, Mr. Eoghan Hanly and Mr. Conor Phelan.

The Minister for Health also appointed the following non-pharmacists to Council during 2013: Dr. Chantelle Macnamara, Prof. Kieran Murphy and Mr. Pat O'Dowd (HSE Nominee), and re-appointed Ms. Rita Purcell (IMB nominee).

The PSI Council also held an election on 17th of July to appoint a President and Vice-President. Mr. Eoghan Hanly was elected as President, replacing Mr. Paul Fahey, and Mr. Noel Stenson was elected as Vice-President, replacing Mr. Eoghan Hanly.

Training in corporate governance was provided to the newly elected President and Vice-President and Chairs of the Advisory Committees. Induction training was also provided to all new members of Council, incorporating the roles and responsibilities of the organisation, corporate governance and media and public affairs training. The Unit continued in 2013 to provide liaison and meeting support to Council and its Advisory Committees with nine meetings of Council, four meetings of the Audit Committee and one meeting of the Chairpersons Committee.

In 2013 the Unit continued to ensure that risk identification, measurement and mitigation strategies are in place and that Council, Committees and the Executive complied with the risk management policy and guidelines approved by Council.

The Unit led the procurement of legal services and oversaw a review of fees for first and continued registration. The Unit also oversaw the recruitment of eleven additional staff approved by the Department of Health and the appointment of the new Registrar who took up office in October 2013. The Unit was also responsible for the preparation of an updated Workforce Planning Action Plan which was submitted to the Department of Health for the purpose of medium term workforce planning. A performance management system for staff was also adopted in 2013.

Council members continue to receive Council documentation electronically, realising savings in both costs and human resources. An electronic document management system was also introduced and rolled out to other Committees in 2013.

The PSI works with a wide range of stakeholders, regulatory bodies and partners on patient safety and public interest agendas. The Health and Social Care Regulatory Forum, of which the PSI is a member, is continuing to play a valuable role in influencing policy development in matters relating to patient safety and public protection.

The International Pharmaceutical Federation (FIP) World Congress, which took place in Dublin, was a substantial project for the PSI in 2013 and provided an opportunity for significant stakeholder engagement with national and international delegates.

In 2013 there was also significant engagement with the Department of Health and the Irish Medicines Board in relation to implementation proposals for Article 85c of Directive 2001/83/EC (Falsified Medicines Directive, as amended) relating to the sale of medicines at a distance to the public.

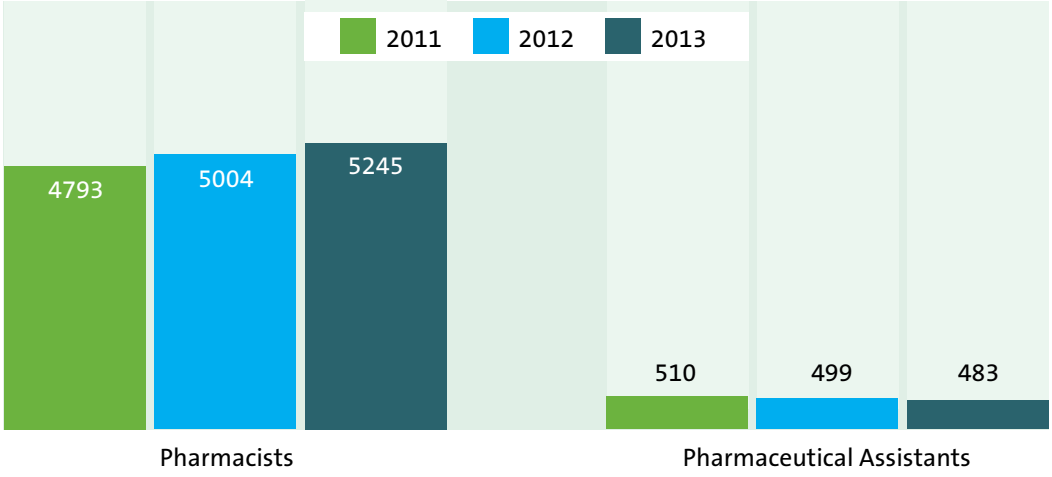
Registration and Qualification Recognition

The Registration and Qualification Recognition Unit is responsible for ensuring that the Register of Pharmacists and Pharmaceutical Assistants is robust and provides assurance to the public of a pharmacists good standing. This function includes the processing of applications through National, EU and Third Country Routes of Registration; maintenance of the Register; assisting with Registration related queries and supporting the Registration and Qualification Recognition Committee.

Pharmacists and pharmaceutical assistants must be registered with the PSI in order to practise. The online contemporaneous register continues to be maintained and available to ensure patients and the public can search the register at http://public.thepsi.ie.

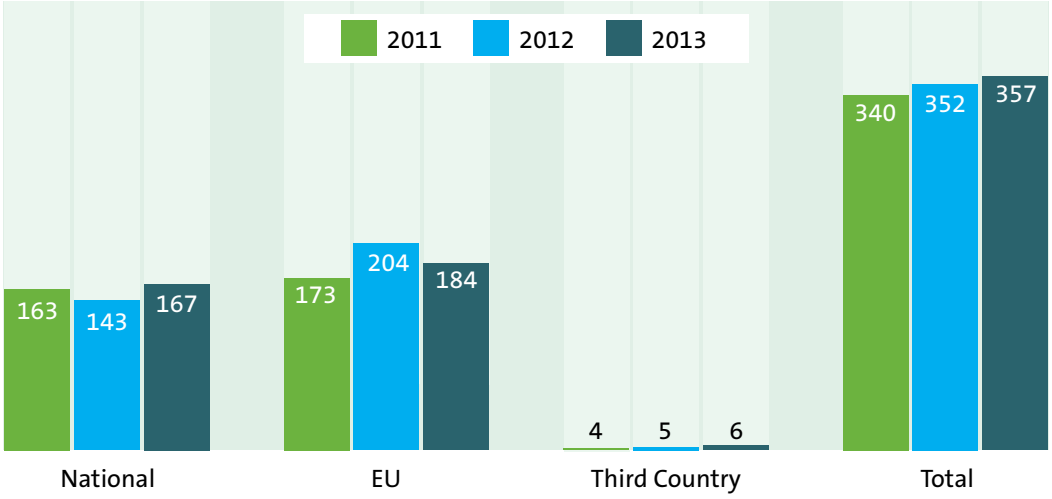
The number of registered pharmacists increased from 5,004 in 2012 to 5,245 in 2013 and the number of registered pharmaceutical assistants decreased by 16 in 2013 (figure 1).

Fig. 1. The Number of Registered Pharmacists and Registered Pharmaceutical Assistants



In 2013 the total number of pharmacists added to the Register of Pharmacists held by the PSI was 357. This represented an increase of 5 from 2012. The number of pharmacists registered by the PSI through the different registration routes from 2011 to 2013 is illustrated in figure 2.

Fig. 2. The Number of Pharmacists Added to the Register by Route 2011-2013



The number of cancellations from the Register of Pharmacists in 2013 was 113, with 44 of these being due to failure to renew their annual registration. In circumstances where a pharmacist indicated a reason for cancelling registration, this was in the main due to emigration (18) or returning abroad (14). There were 78 Certificates of Current Professional Status issued on behalf of registrants, with 22 sent to regulatory authorities in Australia and 39 issued to the United Kingdom (including Northern Ireland). The number of cancellations from the Register of Pharmaceutical Assistants was 14, with 4 of these due to failure to renew annual registration. A revised restoration policy was adopted by the Council during 2013 and the appropriate supporting procedures and documentation developed.

Two equivalence examinations were delivered by the Royal College of Surgeons in Ireland on behalf of PSI under the Third Country Qualification Recognition Route, with 12 candidates presenting. There were a total of 9 candidates undertaking adaptation training placements in pharmacies in Ireland in 2013 for the purposes of obtaining recognition of their qualification.

The encouragement of the use of online based registration activities by registrants, and the general use of electronic communication continues to be an objective of the PSI. To this end a review of the register with a subsequent data collection exercise was conducted in 2013 to ensure that email addresses were held for all pharmacists and pharmaceutical assistants, where available. Following this the PSI now holds email addresses for 97% of pharmacists.

In 2013 the Registration and Qualification Recognition Unit continued to keep under review the updating of the Professional Qualifications Directive 2005/36/EC, the agreed text of which was signed in Strasbourg by the European Parliament and Council in November 2013.

Croatia acceded to the EU on the 1st July 2013 and the first application from a Croatian national was processed to completion on the 31st October 2013.

The Pharmaceutical Society of Ireland came under the remit of the Ombudsman in respect of its registration functions from 1 May 2013, and the Registration and Qualification Recognition Committee ensured appropriate internal procedures were in place to facilitate this.

Professional Development and Learning

The Professional Development and Learning Unit is responsible for ensuring that pharmacy education and training is in line with best practice and the highest international standards. This includes producing rules, standards and arranging for the accreditation of educational programmes for the pharmacy profession at different levels, ensuring high standards of education and training, implementing a system of continuing professional development through the Irish Institute of Pharmacy and overseeing remedial education activities as directed by Council following fitness to practise proceedings.

Two accreditation visits were carried out in the first quarter of 2013 using the interim accreditation standards and the accreditation process for the level 8 Bachelor degrees awarded on the successful completion of the 4 year undergraduate pharmacy degree programmes. These visits were carried out by panels of national and international experts on behalf of the Council for the Bachelor of Pharmacy degree awarded by University College Cork (UCC) in February 2013 and the Bachelor of Science in Pharmacy degree awarded by Trinity College Dublin (TCD) in March 2013. Both programmes were recommended for accreditation by the accreditation teams for a period of 5 years. The Council of the PSI approved the accreditation of UCC's Bachelor of Pharmacy degree programme at its meeting on 17 July 2013. The Council of the PSI approved the accreditation of TCD's Bachelor of Science in Pharmacy degree programme at its meeting on 17 October 2013.

The PSI also approved the 'Seasonal Influenza Vaccination Training Programmes for Pharmacists' (ab initio and refresher) that are provided by Boots Retail (Ireland) Ltd and by Hibernian Healthcare Ltd.

In order to promote and raise awareness of the PSI's education development initiatives, the PSI engaged in a series of eight regional information meetings in February and March. These regional meetings profiled the Core Competency Framework for Pharmacists, the 5-year fully integrated pharmacy degree programme and the model of continuing professional development (CPD) for pharmacists which will be overseen and managed by the new Irish Institute of Pharmacy on behalf of the PSI. Meetings took place in Dublin, Sligo, Galway, Athlone, Waterford, Cork and Limerick.

Further progress was made in 2013 in advancing the implementation of the five-year fully integrated Masters degree in pharmacy through the partnership arrangements with the Higher Education Institutions and practitioners that were established by the PSI under the auspices of the National Forum for Pharmacy Education and Accreditation. The PSI and the National Forum continued to engage with all key stakeholders in relation to the implementation of the five-year programme and moving towards an early commencement date.

The PSI entered into a formal Memorandum of Understanding (MoU) with the US Accreditation Council for Pharmacy Education (ACPE) in September 2013. This MoU allows for the cooperation and collaboration on activities and initiatives to advance the quality of pharmacy education, both prior to and post-qualification, internationally.

The Irish Institute of Pharmacy (IIoP) commenced operations in August 2013. The following key activities were achieved by the IIoP in 2013:

- Dr. Catriona Bradley was appointed as the first Executive Director of the IIoP (she will formally commence her post in March 2014).
- A holding website was launched at the end of 2013 at www.iiop.ie and is in place pending the full website development.
- The IIoP Steering Group (SG) was established by Council with 15 of its 16 members in place. The SG held two meetings – 14th October and 27th November – in 2013.
- A panel of Peer Support Pharmacists (PSPs) was established and 37 PSPs have been appointed.
- The Annual Work Programme for 2014 was agreed and approved by all relevant institutions, including the HSE and the Department of Health.

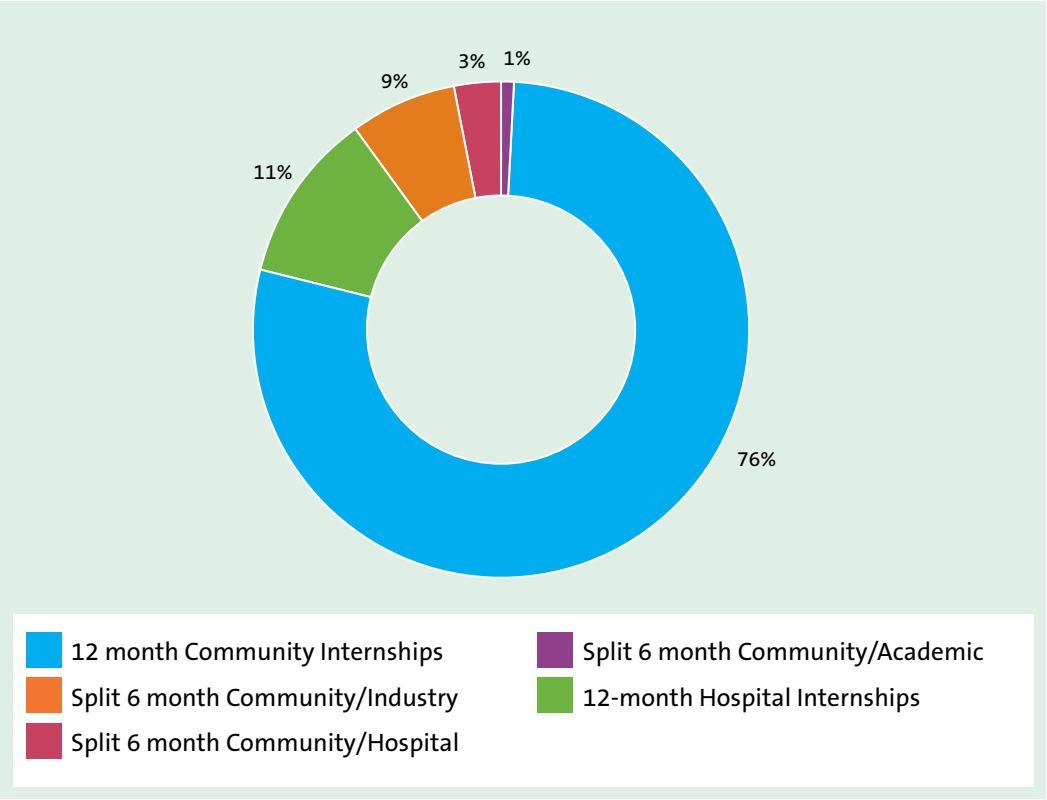
A public consultation on draft accreditation standards to underpin the new five-year fully integrated Masters degree in pharmacy was carried out in September 2013. The Council of the PSI approved, in principle, the new accreditation standards at its meeting in December 2013. These accreditation standards will become effective upon the commencement of the Pharmaceutical Society of Ireland (Education and Training) (Integrated Course) Rules 2014 that are currently in development.

Towards the end of 2013, the PSI engaged in a procurement process to find a provider for the delivery and management of the in-service practical training programme and the Professional Registration Examination. Following this procurement process, the Royal College of Surgeons in Ireland was awarded the contract and will provide the National Pharmacy Internship Programme (NPIP) on behalf of the Council of the PSI for the period 2014-2017.

National Pharmacy Internship Programme (NPIP)

Figure 3 provides an overview of the structure of placements undertaken by pharmacy interns who commenced the NPIP in September 2013.

Fig. 3. Overview of the Structure of Placements Undertaken by Pharmacy Interns who Commenced the National Pharmacy Internship Programme in September 2013.



A total of 169 pharmacy interns completed the programme in 2013 following the May and October sittings of the Professional Registration Examination.

Education Remediation

A total of 16 education remediation cases were overseen by the Professional Development and Learning Unit arising from the outcomes of disciplinary processes under Part 6 of the Pharmacy Act 2007.

Pharmacy Technician recognition of qualification certificates

Two certificates were issued by the PSI to the General Pharmaceutical Council in Great Britain in relation to the pharmacy technician qualification obtained in Ireland (process required under the EU Council Directive 2005/36/EC on the recognition of professional qualifications).

Pharmacy Practice Development

The Pharmacy Practice Development Unit is responsible for the quality assurance of standards and the development of pharmacy practice through the development of guidance and in the provision of a query management service to pharmacists. The Unit also engages with stakeholders to help optimise the role of pharmacists, and thereby achieve improvements in quality of care to patients.

The final report of the Baseline Study of Hospital Pharmacy in Ireland was published in February 2013. The report is available on the PSI website. It is intended that the findings of this work would inform policy in this area in the future, in the interest of improving patient health and safety. A project has commenced to review the recommendations of the report and develop an action plan going forward.

Guidance for Pharmacists on the use of Digital and Social Media was approved by Council in 2013. This guidance intends to ensure that pharmacists are cognisant of their responsibilities to make certain that their online activity is consistent with their professional role. The guidance covers topics such as professional boundaries, privacy and confidentiality, information suitability, information quality, information security and accountability.

A podcast on the roles and responsibilities of the supervising pharmacist was completed in June and placed on the PSI website. This film is designed to complement the PSI's film on the role of the superintendent pharmacist and is intended to promote an understanding of the roles and responsibilities of a supervising pharmacist, as well as the legal requirement, governance and accountability aspects of the role. Pharmacists were made aware of this resource through the PSI newsletter.

An evaluation was undertaken on the seasonal influenza vaccination service in pharmacy 2012-2013 and a Report on the Evaluation of the Seasonal Influenza Vaccination Service in Pharmacy 2012-2013 published on the PSI website. The evaluation included engagement with patients, pharmacists and other key stakeholders. The report identified that the seasonal influenza vaccination service provided in pharmacies is operating effectively and no quality or safety concerns were identified. Pharmacists were more fully integrated into the national immunisation campaign in 2012 and the number of patients accessing vaccinations through pharmacies increased significantly in 2012/2013. Patients expressed satisfaction with the service provided. This evaluation informed the Council's decisions regarding training for the 2013/2014 season and revisions made to the PSI Guidance on the Provision of Seasonal Influenza Vaccination Service by Pharmacists in Retail Pharmacy Businesses.

The Core Competency Framework for Pharmacists, approved by PSI Council, was published and disseminated to all registered pharmacists. This framework is the cornerstone of the PSI's programme to reform the education and training of pharmacists. An online self-assessment tool, based on the competency framework, is being developed to assist pharmacists to use the framework to self-assess and document their learning needs. The framework is also being used to inform the learning outcomes of the National Pharmacy Internship Programme.

The Pharmacy Practice Development Unit continues to support the work of liaison pharmacists engaged with HSE clinical care programmes and the new HSE Medication Management Programme. Two study day meetings with pharmacy liaisons, the HSE and PSI were held in 2013.

In line with developing opportunities for multi-disciplinary learning in the health sector, the second Medicines Management Forum was successfully held in late November jointly hosted by the PSI, the HSE Medication Management Programme and the Office of the Nursing and Midwifery Services Director at the HSE. The theme of the multi-disciplinary forum was 'Medicines Management - the safe, effective and cost-effective use of medicines to improve patient care' and presentations on the day included updates on the HSE National Medicines Management Programme, enhancing prescribing in primary care, medicines adherence and anticoagulation monitoring service in community pharmacy. The programme for the day and access to a selection of presentations from the day are available on the PSI website.

Additional guidance to the profession was issued by means of a special e-newsletter in July, providing pharmacists with general information and guidance on the Health (Pricing and Supply of Medical Goods) Act 2013 and in December updates to the guidance on the supply of Norlevo emergency hormonal contraceptive by pharmacists was provided following the approval of new clinical information.

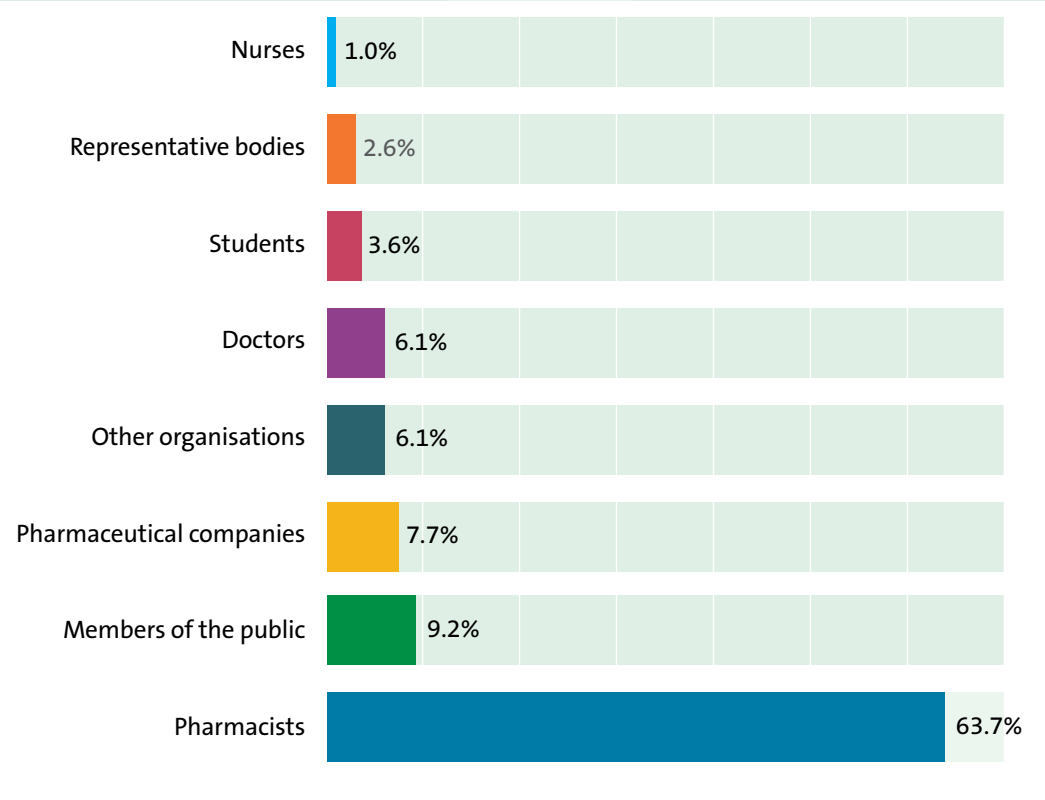
The International Pharmaceutical Federation (FIP) Congress was co-hosted by the PSI in Dublin in September, the Congress was held with great success and high attendance. At the Congress, Unit staff made an oral presentation on PSI Guidance on Digital and Social Media, presented posters on the Hospital Baseline Study and PSI Query Management Service, provided support at the Pharmacy in Ireland stand and attended an expert practitioners meeting on developing a global advanced competency framework for pharmacists.

PSI Query Management Service

The Pharmacy Practice Development Unit in conjunction with the Inspection and Enforcement Unit provide a Query Management Service to respond to queries from members of the public, pharmacists and other healthcare professionals. The queries received usually seek information on pharmacy and medicines legislation or seek the regulator's view and guidance on pharmacy practice issues.

In 2013 a total of 385 queries were received and responses provided. A review of a sample of those queries was carried out to examine and analyse the query source, subject and any other patterns which emerged. The review was designed to examine the value and inform the future development of this service. A sample (n=147) of queries was more closely examined and analysed to gain further insight into the query source and the nature of the queries received. Queries received by source are illustrated in figure 4.

Fig. 4. Queries received by source (n=147)



Queries received from pharmacists related to professional issues such as pharmacy and medicines legislation, the application of the legislation in a practice environment and the appropriate prescribing, dispensing and disposal/destruction of Controlled Drugs.

Queries from members of the public usually related to a medicine supplied and the role of the pharmacist in the supply of medicines. Queries from other healthcare professionals tended to relate to pharmacy and medicines legislation and the role of the pharmacist.

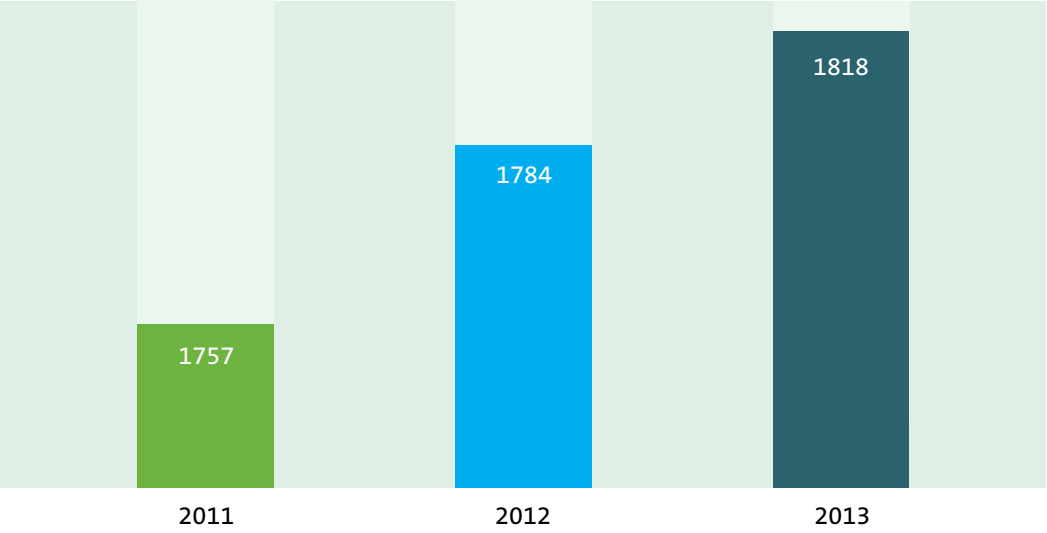
Inspection and Enforcement

The Inspection and Enforcement Unit is responsible for the registration of retail pharmacy businesses, inspection of pharmacies, investigations of breaches of pharmacy or medicines legislation and the taking of prosecutions.

Registration of Retail Pharmacy Businesses

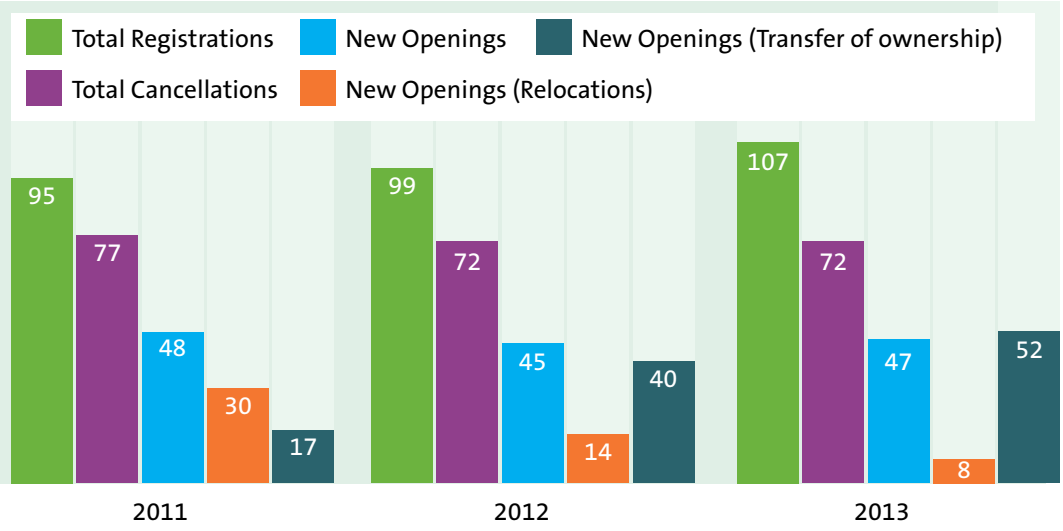
The total number of retail pharmacy businesses on the PSI Register at the end of 2013 was 1,818 which was an increase of 34 pharmacies from 2012 as illustrated in figure 5.

Fig. 5. Total Number of Registered Retail Pharmacy Businesses 2011-2013



As illustrated in figure 6 the number of new openings increased from 45 in 2012 to 47 in 2013, the number of relocations decreased from 14 in 2012 to 8 in 2013 and the number of transfers of ownership increased from 40 in 2012 to 52 in 2013.

Fig. 6. Total Number of Registrations and Cancellations of Registrations of Retail Pharmacy Businesses 2011-2013



Significant work was undertaken by the Inspection and Enforcement Unit in 2013 in the areas of inspection, investigation, prosecution, referrals to complaints and other enforcement and specialist surveyor activity.

Inspection

The purpose of the inspection function is to promote good and safe pharmacy practice within retail pharmacy businesses and ensure voluntary compliance with legislative requirements, guidelines, best practice requirements and the Code of Conduct for Pharmacists. The PSI inspects retail pharmacy businesses to assess compliance with the Pharmacy Act 2007 and with other pharmacy and medicines legislation in the interests of the health and safety of the public. Three main types of inspections are carried out:

1. Systems inspections (under section 67 of the Pharmacy Act 2007)

Systems inspections examine the way prescription only medicines, controlled drugs and pharmacy only medicines are supplied from the pharmacy to make sure there is a legitimate and safe basis for the supply of these medicines. The inspection also assesses the premises, workflow and the conditions that exist for the storage and preparation of medicines at the pharmacy. Systems inspections also review the quality system and governance arrangements for the pharmacy.

2. Registration related inspections (under section 19 of the Pharmacy Act 2007)

Registration related inspections are carried out on foot of an application to register or to continue to register a pharmacy. The purpose of these inspections is to assess compliance with the Regulation of Retail Pharmacy Businesses Regulations 2008 and PSI Guidelines.

3. Others (re-inspections/thematic inspections)

In 2013 inspections carried out under this heading involved inspection of the seasonal influenza vaccine service provided by some pharmacists.

A total of 482 inspections were undertaken in 2013. This figure represents 83 registration related inspections, 388 systems inspections and 11 other inspections. Inspection activity undertaken by the Unit is set out in figure 7. Inspection findings[1] are published on the PSI website, www.thepsi.ie.

The PSI published a guide on what to expect during the inspection process. Checklists are also in place to assist pharmacists and pharmacy owners in preparing for an inspection. The inspection guide and checklists can be accessed in the inspection section of the website.

Fig. 7. Number of Inspections by Inspection Type From 2011-2013

Investigation

The PSI carries out investigations under Part 7 of the Pharmacy Act 2007. Investigations typically involve an inspection or series of pharmacy visits. A total of 27 investigations were commenced during 2013. Many of these pharmacy visits involved the attendance of a number of authorised officers per site visit. The PSI continues to co-operate and collaborate with other agencies in undertaking investigations. The agencies involved are the Irish Medicines Board (IMB), the Department of Agriculture, Food and the Marine and the Health Service Executive (HSE).

1 The inspection findings published on the website relate to section 67 systems inspections carried out in 2013.

Specialist Surveyor Activity

Specialist surveyor services are utilised by the PSI as part of information gathering exercises.

Enforcement

Where non compliances are found as a result of an inspection or an investigation, a range of actions may be taken under the Pharmacy Act 2007. The actions include instituting summary proceedings, commencing disciplinary proceedings against pharmacists or pharmacies, referring matters to other bodies for their consideration as well as taking any other action which the PSI deems appropriate.

The PSI took four prosecutions for breaches of pharmacy and medicines legislation in 2013. The main offences which the PSI prosecuted for in 2013 related to:

- The failure to maintain the controlled drugs register properly
- The failure to maintain the prescription register properly
- The supply of prescription only medicines without a prescription/using prescriptions which were not valid
- The sale and supply of medicines in cases where a pharmacist was not present

Further details regarding the PSI's prosecutions can be found on the PSI website at www.thepsi.ie. In 2013, two cases were referred to the complaints process following the consideration of an authorised officer's report.

Other Activities

The Inspection and Enforcement Unit published four articles entitled "Inspectors Advice" in the PSI Newsletter during 2013. The advice contained in these articles was developed to provide information to pharmacists and/or pharmacy owners in direct response to non-compliance trends noted during inspections.

Staff members from the Inspection and Enforcement Unit participate in a number of pharmacy/ medicines related groups nationally and internationally including:

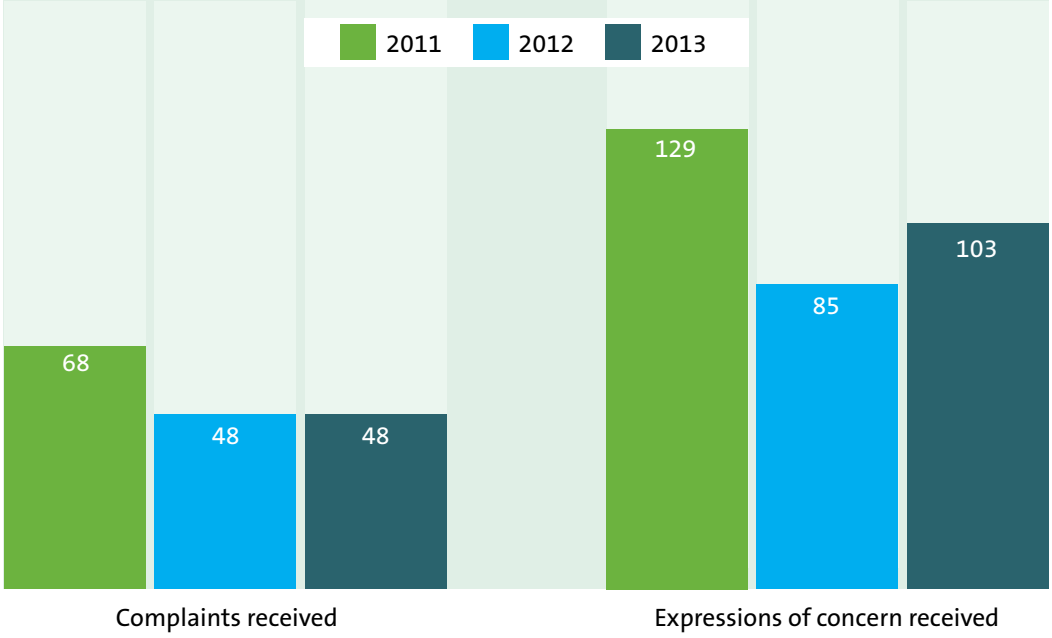
- Council of Europe's Committee of Experts on the Quality and Safety Standards in Pharmaceutical Practices and Pharmaceutical Care: This group is currently involved in developing guidelines on automated dose dispensing.
- Controlled Drugs Cross Borders Meetings: The aim of the group is to provide a forum to promote co-operation between regulatory bodies operating shared intelligence and information across national borders (UK, Ireland, NI and Channel Islands). The group also provides an opportunity to share learning, discuss best practice methodologies and analyse trends to support the safer management of controlled drugs in each nation.
- Patient Safety and Quality of Care: The focus of this organisation is to improve patient safety and quality of care through sharing of information, experience, and the implementation of good practices at a European Level.

Fitness to Practise

Part 6 of the Pharmacy Act 2007 deals with the complaints, inquiries and discipline (fitness to practise) functions of the PSI and was commenced on the 1st August 2009. The Fitness to Practise and Legal Affairs Unit is responsible for processing all complaints and expressions of concern in a timely and efficient manner.

In 2013, a total of 48 formal complaints were received under Part 6 of the Pharmacy Act 2007, demonstrating as outlined in figure 8 that there was no change in the number of complaints received in 2012. In addition to processing formal complaints for the purposes of Part 6, the Unit also deals with expressions of concern about pharmacists and retail pharmacy businesses where a formal complaint is not received in writing. The PSI dealt with 103 such concerns in 2013.

Fig. 8. Total number of complaints and expressions of concern received 2011-2013



For the fourth year running the majority of complaints (69%) and expressions of concern (75%) received were from members of the public as illustrated in figures 9 and 10.

Fig. 9. Breakdown of complaints by source in 2013

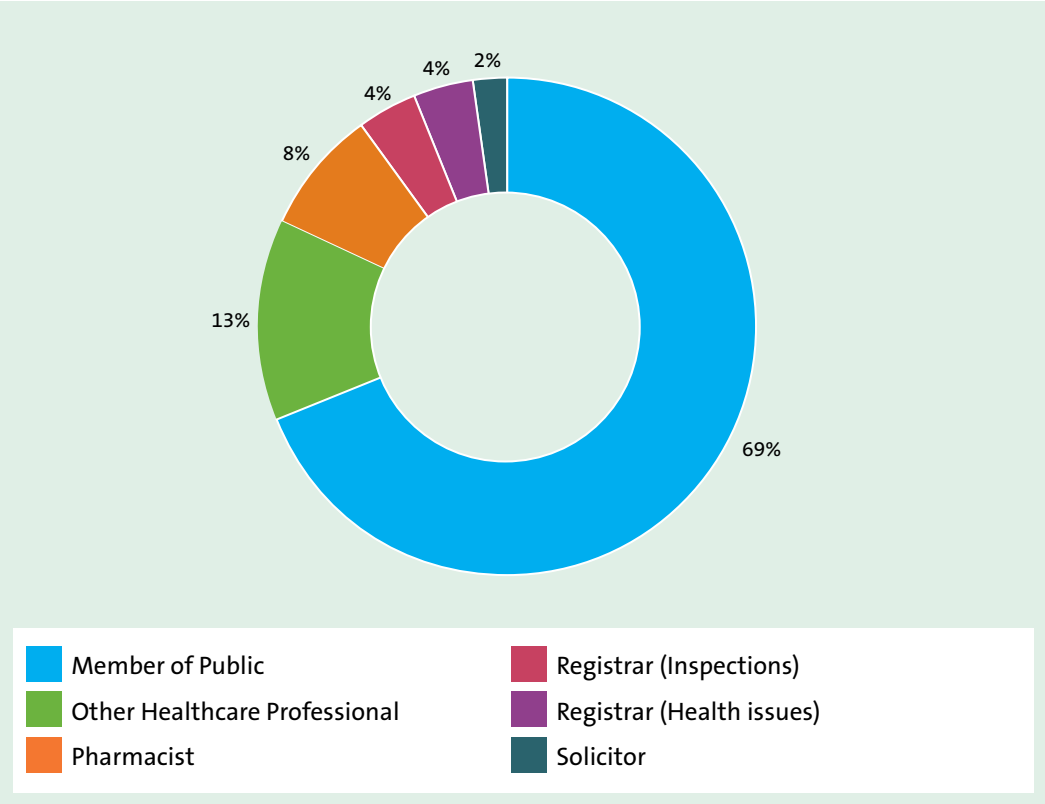
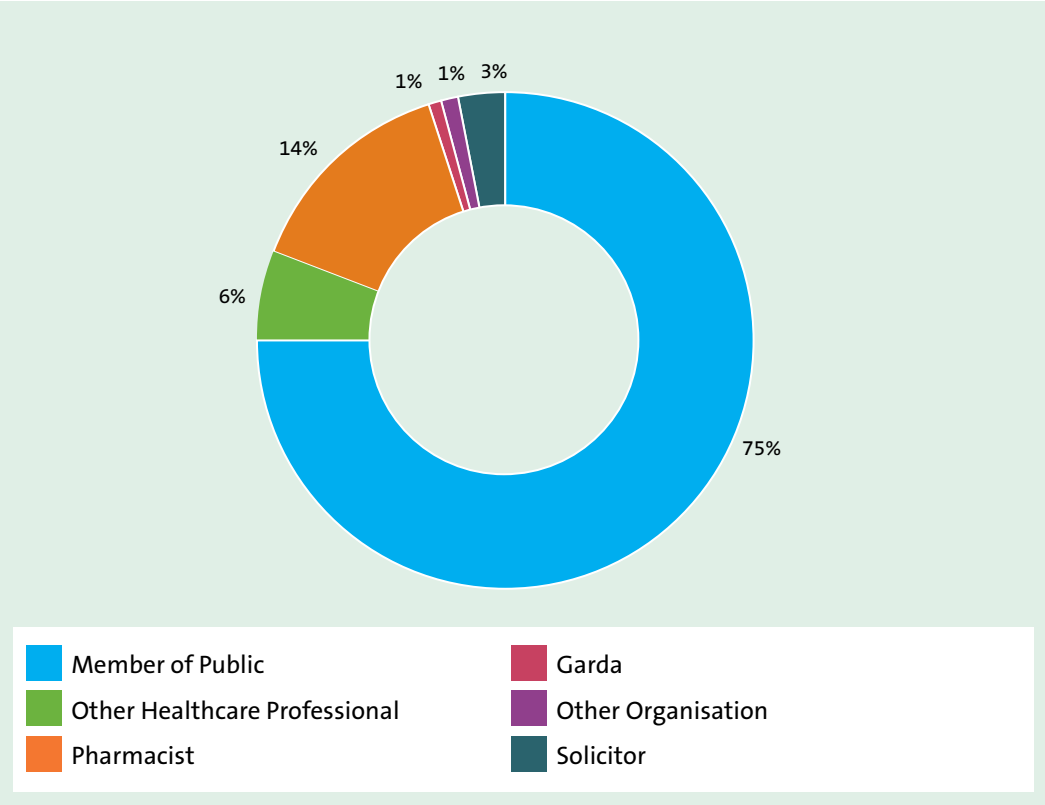


Fig. 10. Breakdown of expressions of concern by source in 2013

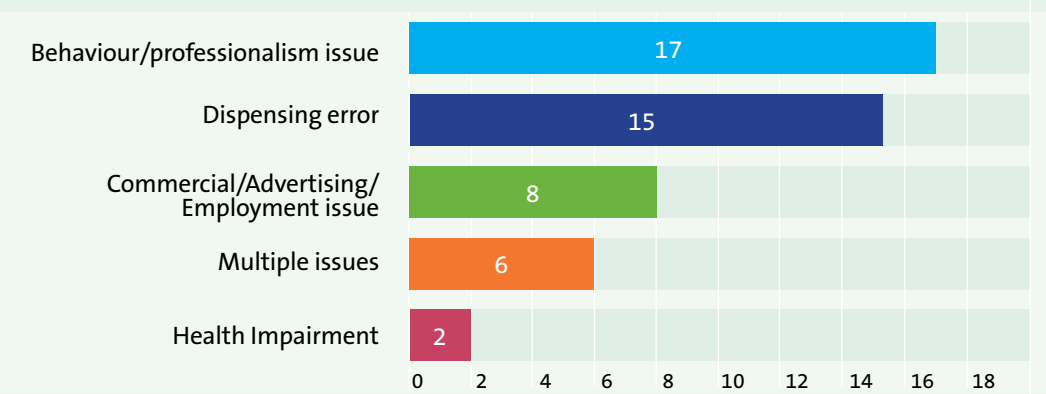


Categories of Complaints

The complaints received in 2013 are broken down further into categories in figure 11. The highest number of complaints received related to behaviour/professionalism issues.

Fifteen of the complaints received related to dispensing errors, two of which related to paediatric dispensing errors. This is a reduction on 2012 figures where five of the fourteen dispensing error complaints recorded were connected to paediatric dispensing.

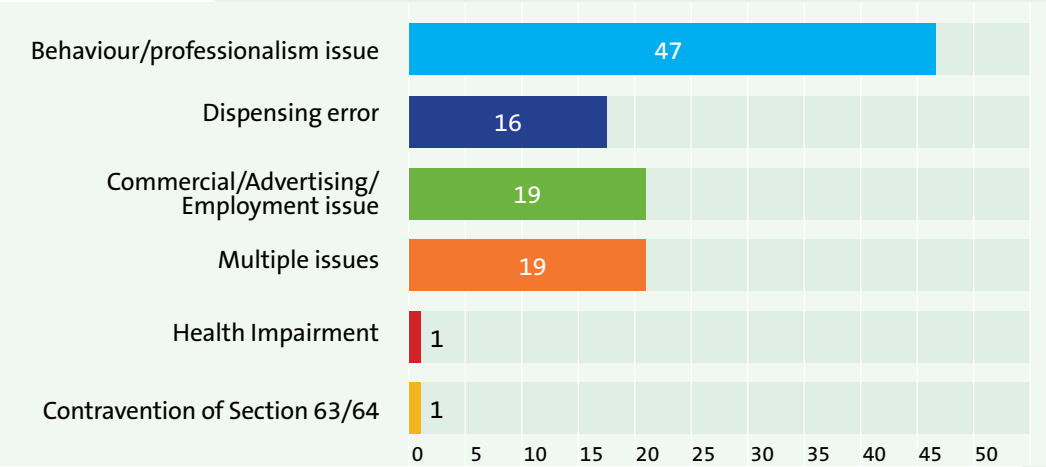
Fig. 11. Categories of Complaints Received in 2013



Categories of Expressions of Concern

The concerns received are broken down further into categories in figure 12. The highest number of concerns recorded related to behaviour/professionalism issues.

Fig. 12. Categories of Expressions of Concern Received in 2013



Of the 103 expressions of concern, 19 resulted in formal complaints under the fitness to practise and fitness to operate system, 30 were referred to the Inspection and Enforcement Unit for further action, 13 were referred to other PSI Units for attention and 27 required no further action. The remaining 14 expressions of concern are still under review. The response of the PSI to both complaints and expressions of concern are independently audited by a national patient advocacy group.

The Preliminary Proceedings Committee

In 2013, forty nine complaints were referred to the Preliminary Proceedings Committee (PPC) for consideration under Section 38 of the Pharmacy Act 2007.[2]

Further Action

It was decided that there was sufficient cause to warrant further action in relation to ten complaints:

- Eight complaints were referred to the Professional Conduct Committee (PCC) for inquiry.
- One complaint was referred to the Health Committee for inquiry.
- One complaint was referred to Mediation.

No Further Action

The PPC determined that there was not sufficient cause to warrant further action in respect of thirty five complaints considered in 2013. The Council agreed with the advice of the PPC in relation to these thirty five complaints and also decided that there was not sufficient cause to warrant further action.

Withdrawn Complaints

Four complaints were withdrawn by the complainant pursuant to Section 44 of the Act at PPC stage, and the PPC, with the agreement of Council, decided that no further action be taken in relation to those four complaints.

Deferred Complaints

One of the complaints recorded as deferred in the 2011 and 2012 Annual Reports was considered by the PPC and referred to the Professional Conduct Committe for inquiry in 2013. The other complaint reported as deferred in the 2011 and 2012 Annual Reports remains deferred at year end 31st December 2013. The PPC adjourned consideration of one additional complaint in 2013, therefore consideration in respect of two complaints has been deferred at year end 2013.

2 This figure includes 18 complaints received in 2012 and referred to the Preliminary Proceedings Committee in 2013

Fitness to Practise Inquiries

Professional Conduct Committee (PCC)

Twelve complaints were heard before the PCC in 2013.

- The inquiries in relation to five complaints proceeded in public pursuant to Section 42(1) of the Pharmacy Act 2007.
- An inquiry in relation to one complaint, which concerned a minor child, proceeded in public with the caveat that the child and parents would not be identified by name.
- The inquiries in relation to a further five complaints proceeded in private pursuant to Section 42(2) of the Pharmacy Act 2007.
- The inquiry in relation to one complaint opened in public in 2013 and remains ongoing as at 31st December 2013. This has been set down for a further date in 2014.

Health Committee

The Health Committee did not hear any complaints in 2013.

Mediation

One complaint was resolved by mediation in 2013. This was the first mediation conducted since the commencement of the Pharmacy Act 2007.

Outcomes of Fitness to Practise Inquiries

The PCC found four complaints to be substantiated in 2013. The PCC accepted Section 46 undertakings in dealing with two complaints and therefore did not give consideration to whether the complaints were substantiated. The PCC found five complaints not to be substantiated and following submission of the respective reports to the Council of the PSI, the Council in accordance with Section 48 of the Act dismissed the complaints.

As outlined above, one inquiry remains on-going as at 31st December 2013.

Sanctions imposed by the Council pursuant to Section 48 of the Act arising from 2012 Inquiries

In 2013, the Council of the PSI considered a PCC report in respect of one pharmacist arising from an inquiry conducted in 2012. The PCC had found the complaint to be substantiated and the Council censured and attached conditions to the registration of the pharmacist.

Sanctions imposed by the Council pursuant to Section 48 of the Act arising from 2013 Inquiries

In relation to the 4 complaints substantiated by the PCC following inquiries in 2013 the Council of the PSI imposed the following sanctions:

- Three registrants were censured and had conditions attached to their registration.
- One registrant is awaiting sanction as at 31st December 2013.

Section 46 Undertakings

- Two registrants consented to being admonished by the Council under Section 46(1)(d) of the Pharmacy Act 2007 and were admonished by the Council of the PSI.

Sanctions imposed by the Council pursuant to Section 37 and Section 48 of the Act following a mediation conducted in 2013

- In 2013, the Council of the PSI censured one registrant following the submission of a Report of a Mediator, which included as part of the terms of resolution the consent of the pharmacist to being censured by the Council.

Applications pursuant to Section 45 of the Pharmacy Act 2007

Section 45 of the Act provides that the Council of the PSI may apply to the High Court for an order to suspend the registration of a registered pharmacist or registered retail pharmacy business against whom a complaint has been made if there is a risk to the health and safety of the public which is of such magnitude that a registration should be suspended pending the conclusion of the Inquiry process.

In 2013, the Council of the PSI made one application to the High Court for an interim suspension of a registration pending conclusion of proceedings under Part 6 of the Act. The Council, in 2012, also made one application to the High Court pursuant to section 45 of the Act.

Training for Council and Committee Members

Training is provided to Council and Committee members to further assist them in fulfilling their role under Part 6 of the Pharmacy Act 2007. The Fitness to Practise Unit held training for Council on 9th July, the Preliminary Proceedings Committee on 25th September and Professional Conduct Committee on 1st October 2013. Council and Committee members also attended relevant external conferences during 2013.

Communications and Public Affairs

The Communications and Public Affairs Unit is responsible for the implementation of the Communications Strategy, including proactive engagement with the public, profession and other stakeholders, key influencers and decision makers. It does this through the development of messaging for use in media relations work, the development of the PSI website and various publications. The Unit is also responsible for managing media relations on behalf of the Registrar and President and advising on the development of material for internal and external communication. The Unit is also responsible for the management of the Freedom of Information function.

The Communications Strategy, approved by Council in September 2012, continued to be implemented in 2013. In line with the PSI's duties and responsibilities under the Pharmacy Act 2007, it is vitally important that the role of the PSI as the pharmacy regulator is effectively communicated to the public, the pharmacy profession and other stakeholders.

In early 2013 the Communications and Public Affairs Unit supported the Professional Development and Learning Unit in conducting eight country-wide information meetings to update and inform the profession of the developments in education set to roll-out over the next few years. The presentation included discussion on the five-year integrated Masters in pharmacy, the work of the Irish Institute of Pharmacy in relation to mandatory CPD, and the new core competency framework, which was later officially launched and a copy provided to all pharmacists. The framework, which is mapped to a global framework, will provide the basis of standards for pharmacist education and ongoing training in Ireland.

The International Pharmaceutical Federation (FIP) World Congress was a significant project for the PSI in 2013. The PSI's local hosting of this annual pharmacy and pharmaceutical sciences Congress in Dublin was managed by the Communications and Public Affairs Unit. In conjunction with FIP, the PSI co-ordinated local and international promotion of the event, working too with the many pharmacy bodies represented on the Local Host Committee. The Congress was attended by 3,000 delegates who travelled from 107 countries. The PSI and FIP organisers were delighted with the outcomes. A related Pharmacy Policy-makers Forum hosted by the Department of Health was supported by the PSI in the days preceding the main Congress.

The PSI's new headquarters at Fenian Street in Dublin city centre were opened by the Minister for Health, Dr. James Reilly TD, in June. In line with public health policy, this also marked the announcement of the PSI's tobacco-free campus. The Minister noted it as fitting that the PSI now operates from a facility which adequately supports and facilitates engagement with stakeholders, pharmacists and the public, and will do so for many years to come. The ground floor of the building has a museum and library that are open to the public and the profession.

The PSI's Corporate Strategy for 2013-2017 was presented to the Minister for Health, and details of the intended projects and ongoing work commitments of the PSI were outlined to stakeholders and the media.

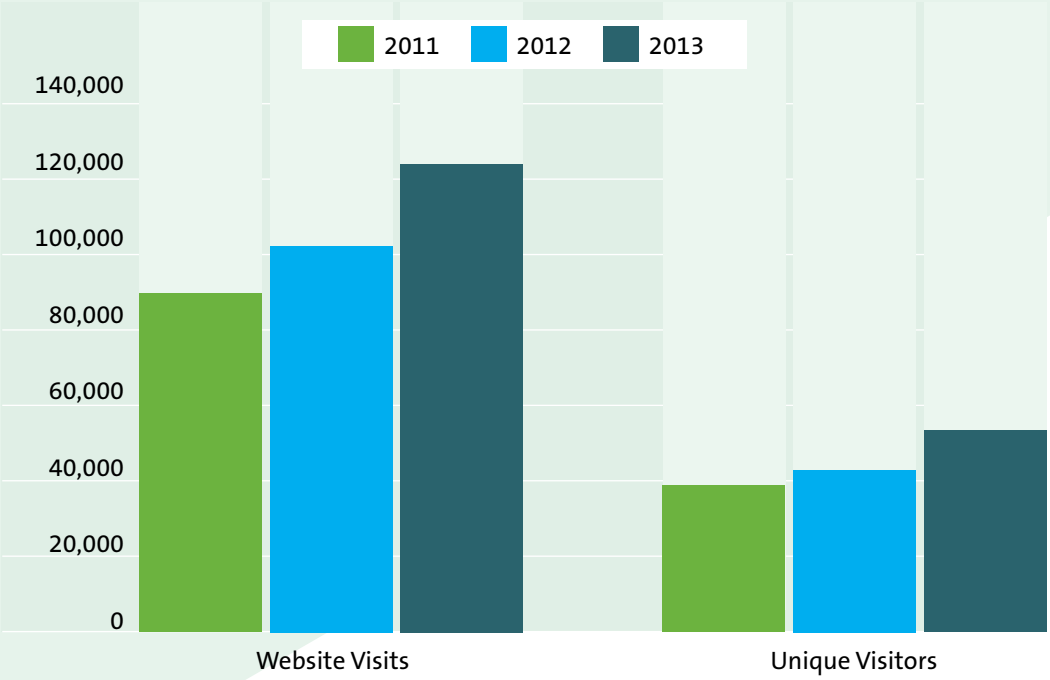
On a day-to-day basis the Communications and Public Affairs Unit assisted in liaising with PSI stakeholders, the profession and public, ensuring the communication of key messages. The PSI obtained media coverage throughout the year and media relationships were managed through the provision of statements and assistance with queries. A number of media interviews

were conducted during the year, including those with the newly appointed Registrar, with Eoghan Hanly following his appointment as PSI President in July and a TV3 focus on addiction to prescription medication. Ten press releases were issued in 2013. There were no Freedom of Information requests during 2013.

The PSI website and the monthly e-newsletter are key communications channels through which the PSI regularly engages with the profession and others. Twelve e-newsletter were issued in 2013, highlighting to pharmacists and pharmaceutical assistants all guidance and relevant policy and legislative updates, compliance concerns and CPD opportunities. A special e-newsletter in July focused on the implementation of the Health (Pricing and Supply of Medical Goods) Act and its implication for pharmacists.

In 2013 the PSI website, www.thepsi.ie, received a reported 125,003 visits from 54,931 unique or individual visitors. Monitoring of website use was conducted, and is ongoing, to assess areas where website content could be updated and improved. Since the current website was launched in late 2010 its visitor numbers have steadily increased year on year as illustrated in figure 13.

Fig. 13. Website Visits 2011-2013



Visits by Irish based users are by far the most frequent to the PSI website. In 2013 Irish user visits made up 78% of all visits, followed by the United Kingdom, United States, India and Australia; these location trends being consistent with the preceding two years.

The PSI continued its commitment to facilitating learnings from fitness to practise inquiries by providing notices on the PSI website to facilitate attendance by media and the general public. The PSI continued in 2013 to build on its internal communication framework and also facilitated media training for the new Registrar.

ICT

The ICT Unit is responsible for continuously monitoring and reviewing internal systems and processes in order to implement appropriate information and communications technologies to support the ever expanding operations of the PSI by focusing on the delivery of technology, operations and services. The Unit is also responsible for disaster recovery, business continuity and Data Protection.

Further enhancements to the functionality of the registration system were undertaken during 2013 including improvements to online features for registrants. The use of these online facilities for continued registration by pharmacists increased from 49% in 2012 to 53% in 2013.

The move to PSI House involved a considerable undertaking on the ICT side. This was carried out without much disruption and saw significant improvements to the general technical infrastructure including the installation of audio visual facilities for Council and other meeting rooms.

The ICT Unit manages the day-to-day technical and online services for PSI staff, including support to authorised officers and other members of staff while off-site. The Unit is also charged with equipping and supporting all staff with relevant IT resources, and in providing support to the Office of the Registrar in supplying Council documentation to its members by secure and confidential means. The Unit also conducts annual disaster recovery testing of all ICT systems and manages requests under Data Protection including personal data abstracts and extracts from the registers for education or public health purposes under the terms of the PSI registration with the Data Protection Commissioner.

A public tender for ICT support services was undertaken and a new provider was selected for commencement in early 2014.

Administration and Finance

The Administration and Finance Unit is responsible for the management of the finance of the PSI in a prudent and efficient manner, ensuring that the Council fulfils its legislative requirements and applies best practice to the governance of its financial affairs. The Unit is also responsible for the management of the HR function in the PSI and facilities management in PSI House.

The financial outturn for 2013 shows a positive variance of €0.700m on an income of €6.995m. The surplus is mainly due to delays in both the commencement of the Irish Institute of Pharmacy and the appointments of additional approved staff. However both these elements were in place by year end and it is therefore unlikely that surpluses of this nature will arise in future. The 2013 financial results are satisfactory and are detailed in full in the Financial Report section of this Annual Report.

PSI House was handed back to the PSI, following its refurbishment in February 2013. All employees were in situ there on 25th February 2013. Council held its first meeting in the new Council Chamber on 26th March 2013. The PSI House project was completed on budget and on time.

In 2013 four significant public procurement competitions were held as follows:

- Appointment of legal advisors
- Appointment of External Auditors
- Provider for the management of the National Pharmacy Internship Programme
- Provision of outsourced ICT Helpdesk

The investment of funds throughout the year was based on the best rates available as funds matured. PSI funds are currently invested with AIB Bank while our current bank account is held by Ulster Bank.

The PSI reports quarterly on its website the results of its compliance with the Prompt Payment of Accounts legislation. The report is also submitted to the Department of Health quarterly. In quarter four of 2013 the PSI had paid 71% of its creditors within 15 days and a further 20% within 30 days.

The Administration and Finance Committee held three meetings in 2013 and the attendance records for the meetings are detailed in Appendix B of this report. During the year the Committee approved the Service Plan Budgets 2013 and 2014 and the Annual Financial Statements 2012 for submission to Council. It also reviewed the quarterly management accounts, the 2012 FRS 17 report on the PSI superannuation schemes and the PSI banking and cash positions.

Financial Report

for the period 1st January 2013 - 31st December 2013

At its meeting on 12th December 2013 the Council of the PSI appointed OSK Audit Ltd as its external auditors for a three year period. The 2013 annual accounts of the PSI have been audited by OSK Audit Ltd, and the details of the accounts are shown in the attached Financial Statements for the year ended 31st December 2013.

Income in 2013 was €6.995m, which was largely in line with the 2012 figure of €6.991. Interest received of €0.104m. was down from €0.301m. in 2012.

The total cost of operations in 2013 was €6.399m compared to €5.364m in the previous year.

Direct pay costs were €2.051m for the year, marginally down from the 2012 costs of €2.054m. The PSI's approved staffing level of 25 was increased to 36 following submission of a business case to the Department of Health seeking additional staff arising from the PSI's increasing functions and the full implementation of the Pharmacy Act 2007. One member of staff was seconded to the Department of Health therefore reducing this number to 35.

The total operating surplus in 2013 was €0.700m compared to €1.944m in 2012. The surplus of €0.700m as against a budgeted surplus of €0.187m is mainly accounted for by two elements:

	€m
Pay savings due to non-filled posts	0.294
Delay in commencing Irish Institute of Pharmacy	0.291

The PSI's Balance Sheet as at the 31st December 2013 shows that Total Assets exceeded Liabilities by €11.827m compared to €11.126m at the 31st December 2012. This is the net assets of the PSI including PSI House. It is represented in the Balance Sheet as follows:

	2013 €m	2012 €m
Income and Expenditure Account	9.327	8.626
Designate Reserve (future legal costs)	2.500	2.500
Closing Reserves	11.827	11.126

The cash balance in the balance sheet at 31st December 2013 was €14.040m. At that point our cash reached a peak as the majority of registrants had prepaid their fees (deferred income) for the following year. The value of this deferred income was €6.222m. The cash balance includes the following commitments:-

	€m
Deferred income (Prepayment of fees)	6.222
Statutory staff Superannuation fund	2.498
Designated legal reserve	2.500
Property transactions balance	0.438
Total cash committed	11.658
Unrestricted cash	2.382
	14.040

The PSI's statutory Superannuation schemes cover all eligible employees, with the employees' contributions being deducted from pay. The scheme's funds are held on deposit pending the decision of the Department of Public Expenditure and Reform on the funding mechanism. The Department of Health is liaising with the Department of Public Expenditure and Reform to progress the matter.

The Auditors, OSK Audit, state in the independent auditor's report that in their opinion the Financial Statements give a true and fair view of the state of the PSI's affairs at 31st December 2013 and of its results for the year 2013. They are also of the opinion that the results for the year have been properly prepared in accordance with the Schedule 1, paragraph 16 of the Pharmacy Act 2007 and Generally Accepted Accounting Practice in Ireland. They also confirm that they obtained all the information and explanations necessary for the purpose of the audit and that proper books of accounts have been kept by the PSI.

Financial Results 2013

The table below outlines the operating income and expenditure result for 2013 as against the original 2013 budget. These figures exclude capital related transactions which are accounted for in the Balance Sheet.

Outturns for year 2013 from operating activities as against original budget:

	Original Budget €m	Outturn €m	Variance €m	% Variance %
Total Income	7.128	6.995	(0.133)	-1.9%
Expenditure				
Pay Costs	2.758	2.463	0.295	10.7%
Non Pay Costs	4.308	3.935	0.373	8.7%
Total Expenditure	7.066	6.398	0.668	9.5%
Surplus from on operating activities	0.062	0.596	0.534	
Interest income	0.125	0.104	(0.021)	-16.8%
Surplus	0.187	0.700	0.513	

Income

Total registration fee income for 2013 of €6.434m was €0.197m higher than in 2012. The majority of continued registration fees are collected in November and December each year and are released over the applicable income period. The resultant deferred income (prepaid fees) held at the 31st December 2013 was €6.222m and is reflected in the cash held at that date in the Balance Sheet.

In 2013 funding of €0.239m was received from the Department of Health in respect of the Irish Institute of Pharmacy. There was also a receipt of once-off income relating to the FIP International Congress of €0.291m which was offset against the PSI's costs in relation to the Congress. In 2012 we collected €0.604m in rental and other income from PSI House but this was a once off occurrence.

Pay Costs

The total pay and pension costs in 2013 were €2.463m (2012: €2.332m). The level of permanent whole time staff approved by the Department of Health and the Department of Finance in 2013 increased by 11 to 36 and was not exceeded. Additional employees were recruited in the second half of the year with just one approved post remaining unfilled but being progressed at year end. The average number of staff on payroll during the year was 28. In 2013 some services were again

purchased from external service providers, particularly in the legal area, to enable the PSI to continue to fulfil its statutory obligations.

In compliance with the Code of Practice for the Governance of State Bodies 2009, the new Registrar's salary as approved by the Minister for Health with the consent of the Minister for Finance is €106,516 per annum. The salary for the previous Registrar was €145,952. The new Registrar took up duty on 14 October 2013 replacing the Acting Registrar.

The travel and subsistence expenses paid to the Acting Registrar in the period January to October 2013 was €2,376 (2012 €1,660). These expenses were formally approved by the President of the PSI and are subject to scrutiny by the Internal Auditor and the Audit Committee. The Registrar incurred no expenses in the period from her appointment to the 31st of December 2013. The fees and travel expenses paid to Council members and employees of the PSI are also subject to scrutiny by the Internal Auditor and the Audit Committee and are formally approved by the Registrar.

In compliance with Schedule 1, paragraph 14 of the Pharmacy Act 2007, staff pay rates in the PSI are those approved by the Minister for Health, with the consent of the Minister for Public Expenditure and Reform, for health sector grades. No overtime, bonuses or performance payments were paid by the PSI in 2013 in accordance with the directive of the Department of Public Expenditure and Reform.

The level of absenteeism by PSI staff continued to be low in 2013 at 0.7%. The commitment and dedication to work by PSI staff is highly valued by the Registrar and Council, particularly viewing the complex and expanding workload required to be carried out.

Non-Pay Costs

The total non-pay costs in 2013 were €3.935 (2012: €3.016m). The major elements were:

	2013 €m	2012 €m
Legal and professional fees	**.620**	.565
ICT costs	**.243**	.278
Printing, postage and stationery	**.208**	.190
Repairs, maintenance and other property costs	**.115**	.183
Communications and Public Affairs & Advertising	**.159**	.158
Depreciation	**.353**	.150
FIP membership and conference costs	**.487**	.091
National Forum	**.142**	.216
Institute of Pharmacy	**.508**	.054

The PSI again used its procurement procedures in 2013 to ensure that best value for money was achieved and costs contained. The procedures are in compliance with public sector guidelines.

Superannuation

The PSI has a statutory obligation to provide for superannuation schemes in accordance with Schedule 1 paragraph 15 of the Pharmacy Act 2007. All employees of the PSI who were employed before 1st January 2013 are required to be members of the PSI superannuation schemes and contributions are deducted from salary. The PSI currently pays an employer's contribution of 25%. The superannuation funds are currently invested by the PSI pending a decision from the Department of Public Expenditure and Reform on the funding mechanism to be applied to the schemes. The appropriate documentation is being prepared in the Department of Health for submission to the Department of Public Expenditure and Reform.

New staff of the PSI employed since 1st January 2013 are obliged to join the Single Public Service Pension Scheme. This scheme is operated by the Department of Public Expenditure and Reform. Employee and Employer contribution are remitted to the Department monthly.

Cash Management

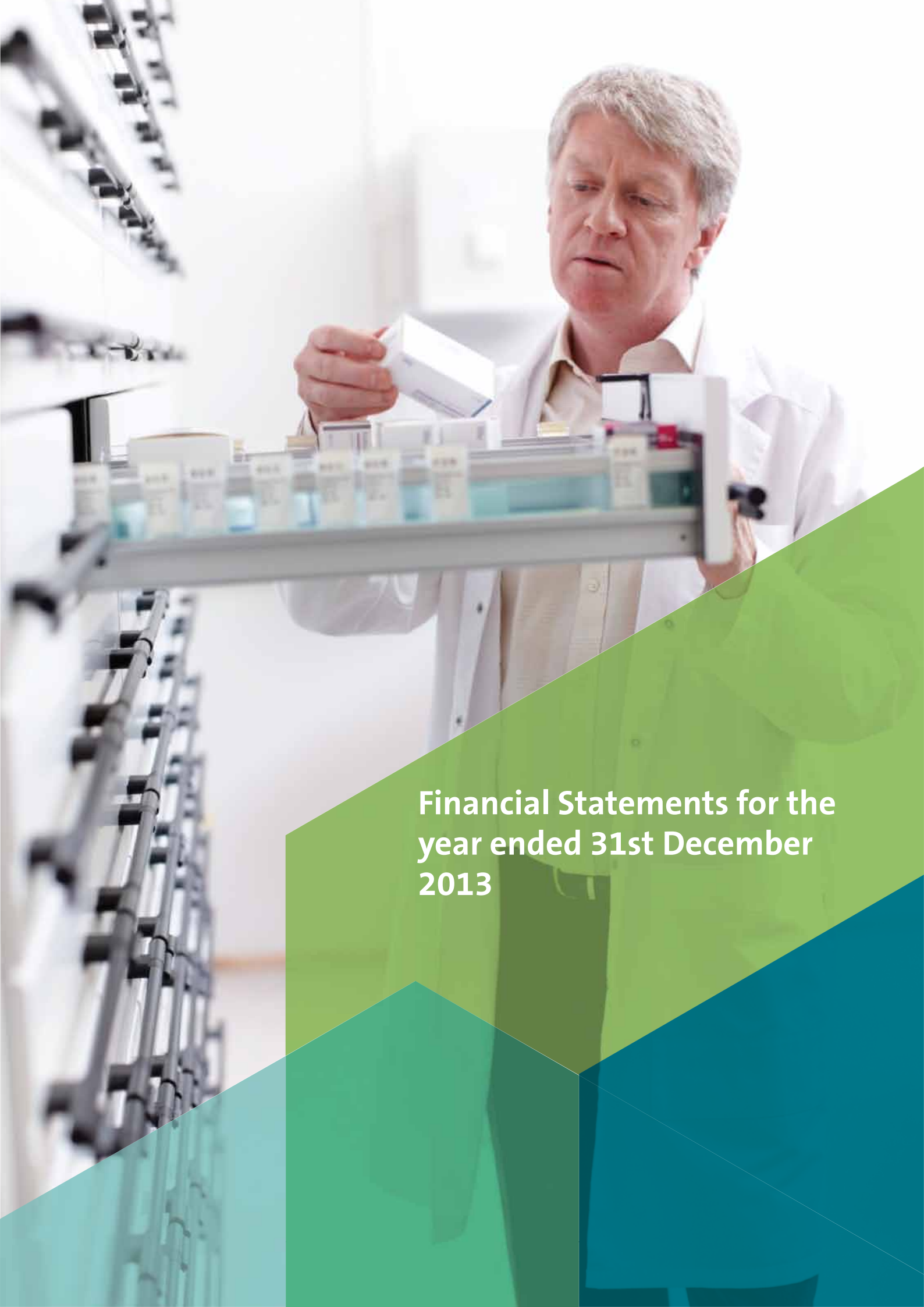
During 2013 the PSI held deposits with Ulster Bank and AIB Bank as approved by Council. The PSI's current account is held with Ulster Bank. In 2013 the PSI did not require overdraft facilities. Funds were prudently invested to obtain the best interest rate available. It is planned to develop an investment policy in 2014.

PSI House

The refurbishment of PSI House was completed in 2013. The project to provide the PSI with a modern and fit for purpose headquarters and meeting room facilities was completed on time and within budget. The project resulted in a surplus of €438,000 of income over expenditure. A summary of the results are shown below:

Income	**€m**
Proceeds from sale of 18 Shrewsbury Road and Northumberland Road	7.296
Rental and associated income from 15/19 Fenian Street	0.601
Total Income	7.897
Costs	
Purchase of 15/19 Fenian Street, Dublin	3.687
Refurbishment and fit out costs etc.	3.563
Temporary Accommodation Costs	0.209
Total Costs	7.459
Surplus available to Council for further pharmacy developments (In line with Schedule 1 para. 12 of the Pharmacy Act 2007)	0.438

It is intended to bring proposals to Council in 2014 for the spending of the surplus of €0.438m as required by Par. 12 (2) of Schedule1 of the Pharmacy Act 2007.



Financial Statements for the year ended 31st December 2013

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Report from the President

In compliance with the Code of Practice for the Governance of State Bodies, 2009, paragraph 13.1, I would like to confirm that:

i. There were no commercially significant developments affecting the ongoing operations of the PSI in 2013.

ii. All appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out.

iii. A statement on the Systems of Internal Financial Control has been included as part of this Annual Report.

iv. Codes of Conduct for Council, Advisory Committee members and employees of the PSI have been put in place and adhered to.

v. Government policy on the pay of Chief Executives and all State body employees is being complied with. The PSI also complies with Government guidelines on the payment of Council Members fees.

vi. The Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector are being complied with.

vii. Government travel policy requirements are being complied with in all respects.

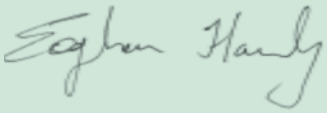
viii. The Code of Practice for the Governance of State Bodies, 2009, is being complied with.

ix. The Corporate Governance Framework also outlines that the PSI complies with disposal procedures for assets as outlined in the Code of Practice for the Governance of State Bodies. The Pharmacy Act 2007 states that any surplus following disposal of assets can be allocated to the development of education, research or any other public purpose connected with pharmacy.

x. The PSI has in place appropriate procedures to monitor, report and enforce relevant rules and requirements regarding foreign travel by employees of the PSI or Council members as outlined in the Code of Practice for the Governance of State Bodies.

xi. The PSI complies with its obligations under tax law.

This report has been formally approved by the PSI Council on 27th of March 2014 and signed by the President:



Mr. Eoghan Hanly
President

Statement on the Systems of Internal Financial Control for the year ended 31st of December 2013

Responsibility for the system of Internal Financial Control

On behalf of the PSI, we acknowledge our responsibility for the system of internal financial control in the PSI, and for putting in place processes and procedures for the purpose of ensuring that the system is effective.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

The Council and the Registrar have taken steps to ensure an appropriate control environment is in place by:

- Establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation
- Clearly defining and documenting management responsibilities and powers
- Developing a strong culture of accountability across all levels of the organisation
- Working closely with Government and various agencies and institutions to ensure that there is a clear understanding of the functions of the PSI and support for the PSI's strategies to fulfill its statutory obligations
- Ensuring only salary rates approved by the Minister for Health are paid to employees.

The Council and Registrar have also established processes to identify and evaluate risks to the organisation. This is achieved in a number of ways including:

- Identifying the nature, extent and financial implications of risks facing PSI
- Assessing the likelihood of identified risks occurring
- Assessing the PSI's ability to manage and mitigate the risks that do occur
- Carrying out regular reviews of strategic plans and objectives both short and long term and evaluating the risks to bringing those plans to fruition
- Setting annual and longer term targets for each area of the organisation followed by regular reporting on the results achieved

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- A detailed budgeting system with an annual budget which is reviewed and agreed by the Council
- Regular review by the Administration and Finance Committee and Council of quarterly management accounts which indicate performance against agreed forecast and provide explanation of significant deviations from budget

- Setting targets to measure financial and other performances
- Schedule 1, paragraph 16 of the Pharmacy Act 2007 requires the Council to prepare financial statements for each financial year which give a true and fair view of the income and expenditure and assets and liabilities of the PSI
- The Administration and Finance Committee also have an oversight role of both the financial affairs and the strategic planning of the PSI's finances in line with the Corporate Strategy 2013-2017.

The procedures for monitoring the effectiveness of the internal financial control system are outlined below:

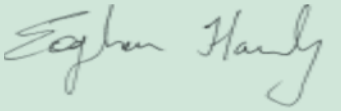
The PSI has an internal audit system which consists of the Internal Auditors and the Audit Committee. The Audit Committee meets on a quarterly basis to review reports prepared by Internal Audit and other relevant issues. The Audit Committee assures Council that the PSI has adequate financial and non-financial control systems in place. The Audit Committee reports on a quarterly basis to the Council in relation to the matters that it has considered.

The PSI operates in accordance with the Code of Practice on the Governance of State Bodies. A rolling three- year Internal Audit Plan is approved by the Audit Committee and revised annually where required. The current work plan takes account of areas of potential risk identified in a risk assessment exercise carried out with management. The Internal Auditor provides the Committee with quarterly reports on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the system of internal financial control and the recommended corrective measures to be taken where necessary.

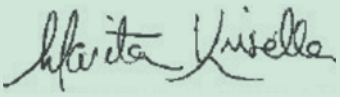
We confirm that in the year to 31st December 2013, the Council conducted a review of the system of internal financial controls. The Audit Committee reviewed reports from the Internal Auditors on Complaints and Fitness to Practice, ICT Security, the Professional Development and Learning Function and Third Country Recognition and Registration Procedures and was satisfied that proper processes and procedures were followed.

An interim audit was also carried out by the External Auditors during 2013. The Council's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Auditor, the Audit Committee which oversees the work of the Internal Auditor, the External Auditor and the senior managers within the PSI who have responsibility for the development and maintenance of the financial control framework.

This statement has been formally approved by the PSI Council on 27th March 2014 and signed on its behalf by the President and the Registrar:



Mr. Eoghan Hanly
President



Ms. Marita Kinsella
Registrar

Statement of the Council's Responsibilities for the year ended 31st December 2013

The Council is responsible for preparing the Council's report and the financial statements in accordance with Irish law and regulations.

Schedule 1, paragraph 16, of the Pharmacy Act 2007 requires the Council to prepare financial statements giving a true and fair view of the state of affairs of the PSI and of the surplus or deficit of the PSI for each financial year. The Council has elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

In preparing these financial statements, the Council is required to:

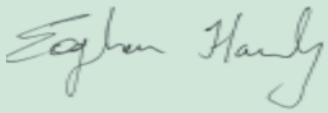
- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the PSI will continue in business.

The Council confirms that it has complied with the above requirements in preparing the financial statements. The Council is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the PSI and enable them to ensure that the financial statements comply with Schedule 1, paragraph 16, of the Pharmacy Act 2007. They are also responsible for safeguarding the assets of the PSI and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council is aware:

- There is no relevant audit information (information needed by the PSI's auditors in connection with preparing their report) of which the PSI's auditors are unaware, and
- The Council has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the PSI's Auditors are aware of that information.

This statement has been formally approved by the PSI Council on 27th of March 2014 and signed on its behalf by the President and Vice-President:



Mr. Eoghan Hanly
President

Mr. Noel Stenson
Vice-President

Independent Auditors' Report to the Council of the PSI for the year ended 31st December 2013

We have audited the financial statements of The Pharmaceutical Society of Ireland (PSI) for the year ended 31st December 2013, set out on pages 52 to 63. The financial reporting framework that has been applied in their preparation is accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Council, as a body, in accordance with Schedule 1, paragraph 16, of the Pharmacy Act 2007 and Generally Accepted Accounting Principles in Ireland. Our audit work has been undertaken so that we might state to the PSI's Council those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the PSI and the PSI Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Councils and Auditors

As explained more fully in the Council's responsibilities statement, the Council is responsible for the preparation of the Annual Report and the financial statements in accordance with Schedule 1, paragraph 16, of the Pharmacy Act 2007 and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland). Our responsibility is to audit and express an opinion on the financial statements in accordance with Schedule 1, paragraph 16, of the Pharmacy Act 2007 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of The Audit of The Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the PSI's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the PSI's affairs as at 31 December 2013 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the requirements of Schedule 1, paragraph 16, of the Pharmacy Act 2007.

Emphasis of Matter

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures in note 17 to the financial statements concerning the accounting treatment for retirement benefits. The PSI have not been advised on how best to administer the funds of the defined benefit pension scheme as the Department of Public Expenditure and Reform have yet to approve the funding mechanism for the schemes. The pension scheme has been accounted for in the financial statements as if it were a defined contributions scheme. Should the pension scheme been accounted for under FRS 17 the actuarial gain/loss would be recognised in the Statement of Total Recognised Gains and Loss and the surplus/deficit of the funds' assets over its liabilities would be recognised in the balance sheet as an asset or liability.

Matters on Which We Are Required To Report By Schedule 1, Paragraph 16, of The Pharmacy Act 2007

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the PSI.
- The financial statements are in agreement with the books of account.

Brian Dignam
for and on behalf of
OSK Audit Limited
Registered Auditors
East Point Plaza
East Point
Dublin 3

Date: 27th March 2014

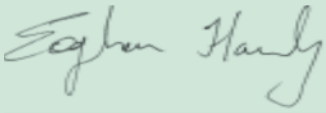
Income and Expenditure Account
for the year ended 31st December 2013

	Notes	2013 €	2012 €
Income	2	6,994,971	6,991.170
Operating expenditure		(6,398,597)	(5,363,920)
Operating Surplus	3	596,374	1,627,250
Interest receivable		104,022	300,619
Surplus on ordinary activities before taxation		700,396	1,927,869
Tax on surplus on ordinary activities	6	-	16,455
Surplus for the Financial Year	12	700,396	1,944,324

All amounts relate to continuing operations.

There were no recognised gains or losses for 2013 or 2012 other than those included in the Income and Expenditure account.

The financial statements were approved by the Council on 27th of March 2014 and signed on its behalf by:



Mr. Eoghan Hanly
President

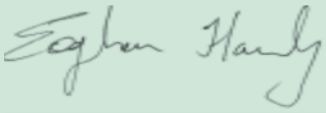
Mr. Noel Stenson
Vice-President

The notes on pages 55 to 63 form part of these financial statements.

Balance Sheet
as at 31st December 2013

	Notes	2013 €	2013 €	2012 €	2012 €
Fixed Assets					
Tangible assets	7		7,121,276		6,262,252
Current Assets					
Debtors	8	174,077		488,436	
Cash at bank and in hand	9	14,039,501		12,735,080	
		14,213,578		13,223,516	
Creditors: amounts falling due within one year	10	(7,010,287)		(6,394,304)	
Net Current Assets			7,203,291		6,829,212
Total Assets Less Current Liabilities			14,324,567		13,091,464
Creditors: amounts falling due after more than one year	11		(2,497,796)		(1,965,089)
Net Assets			11,826,771		11,126,375
Reserves					
Designated legal reserve	12		2,500,000		2,500,000
Income and expenditure account	12		9,326,771		8,626,375
Closing Reserves	13		11,826,771		11,126,375

The financial statements were approved by the Council on 27th of March 2014 and signed on its behalf by:



Mr. Eoghan Hanly
President

Mr. Noel Stenson
Vice-President

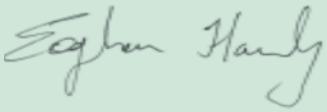
The notes on pages 55 to 63 form part of these financial statements.

Cash Flow Statement
for the year ended 31st December 2013

	Notes	2013 €	2012 €
Net cash flow from operating activities	14	2,412,251	8,068,764
Returns on investments and servicing of finance	15	104,022	300,619
Taxation		-	(567,698)
Capital expenditure and financial investment	15	(1,211,852)	(2,474,073)
Increase in Cash in the Year		1,304,421	5,327,612
Movement in Net Funds in the Year		1,304,421	5,327,612
Net funds at 1 January 2013		12,735,080	7,407,468
Net funds at 31 December 2013		14,039,501	12,735,080

The notes on pages 55 to 63 form part of these financial statements.

The financial statements were approved by the Council on 27th of March 2014 and signed on its behalf by:



Mr. Eoghan Hanly
President

Mr. Noel Stenson
Vice-President

Notes to the Financial Statements
for the year ended 31st December 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with the Financial Reporting Standards of the Accounting Standards Board, with the exception of the superannuation scheme (as the provisions of Financial Reporting Standard 17, Accounting for Retirement Benefits have not been applied), as promulgated by the Institute of Chartered Accountants in Ireland.

1.2 Income

Income is recognised in the financial statements in the year to which the income relates to. To the extent income is received in advance, it is deferred and recognised in the relevant period for which services for these registrations or fees are given.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes prime cost and overheads.

The PSI maintains its portraits, medals and badges in a good state of repair. The Council have deemed these assets should not be depreciated owing to the high residual values for which any periodic depreciation charge would be immaterial. The policy is to make provision in the event of any permanent diminution in the value of these assets. Portraits, medals and badges are reviewed annually for evidence of any permanent impairment in value.

Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	2% straight line
Premises improvements:	
- Premises	2% straight line
- Electrical	5% straight line
- Mechanical & lift	5% straight line
- Fixtures	12.5% straight line
- Audio visual	12.5% straight line
Office equipment and fittings	12.5% straight line
Computer equipment and software	33.3% straight line
Portraits, medals and badges	Not depreciated

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the Financial Statements
for the year ended 31st December 2013

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into euros at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Income and Expenditure account.

1.5 Pensions

The PSI currently operates two statutory schemes for the provision of superannuation benefits to its staff.

Pharmaceutical Society of Ireland Staff Superannuation Schemes 2009

The Pharmaceutical Society of Ireland Staff Superannuation Schemes 2009 came into effect in May 2007 and was closed to new entrants at the end of December 2012. This scheme is operated by the PSI is in accordance with the Public Service Superannuation (Miscellaneous Provisions) Act 2004.

The PSI's contributions to the scheme are charged to the Income and Expenditure account in the period to which they relate. A funding mechanism for this scheme has not yet been approved and as such the schemes funds are being collected and held on deposit by the PSI. The provisions of Financial Reporting Standard 17, Accounting for Retirement Benefits have not been applied.

The Single Public Service Pension Scheme

The Single Public Service Pension Scheme came into effect on the 1st January 2013 as provided for in the Public Service Pensions (Single Scheme and other Provisions) Act 2012. The Act provides for a single scheme for new entrants to the public service. The PSI collects and remits contributions for this scheme to the Department of Public Expenditure and Reform. Pension benefits payable under this scheme are payable by the Exchequer.

1.6 Taxation

The Finance Act 2013, Section 35, amends Schedule to the Taxes Consolidation Act 1997 to include the Pharmaceutical Society of Ireland in the list of specified non-commercial State-sponsored bodies that qualify for exemption from certain tax provisions under section 227, of the Taxes Consolidation Act 1997.

1.7 Designated legal reserve

The PSI established a designated reserve within its reserves, which have been set aside by the Council for a specific purpose, namely for the cost of any future legal cases that the PSI may encounter. Expenditure cannot be directly set against designated reserves but is taken through the Income and Expenditure account. A transfer is then made from designated reserves to the Income and Expenditure account as appropriate.

Notes to the Financial Statements
for the year ended 31st December 2013

2. Income

The total income of the PSI for the year has been derived from its principal activity wholly undertaken in Ireland.

	2013 €	2012 €
Registration of Pharmacists	2,162,985	2,084,685
Registration of Retail Pharmacy Businesses (RPB)	4,201,762	4,184,689
Administration charges and other registration cost	99,197	117,875
Rental income	-	603,921
Department of Health funding for Irish Institute of Pharmacy (IIOP)	239,172	-
FIP sponsorship & exhibition income	291,855	-
	6,994,971	6,991,170

3. Operating Surplus

The operating surplus is stated after charging:

	2013 €	2012 €
Depreciation of tangible fixed assets	352,828	150,127
Auditors' remuneration	12,116	14,928
Loss on foreign exchange	112	418

4. Staff Costs

Staff costs were as follows:

	2013 €	2012 €
Wages and salaries	1,932,920	1,860,752
Social welfare costs	158,986	140,285
Office and management	371,349	330,741
	2,463,255	2,331,778

The average monthly number of employees during the year was as follows:

	2013 No.	2012 No.
Office and management	28	25

Notes to the Financial Statements
for the year ended 31st December 2013

Included in wages and salaries is Registrar/Acting Registrar remuneration as follows:

	2013 €	2012 €
Registrar	20,962	57,814
Acting Registrar	108,390	89,680
	129,352	147,494

A new Registrar, Ms. Marita Kinsella, was appointed on 14th October 2013 with the previous Registrar, Dr. Ambrose McLoughlin, having resigned in April 2012. An Acting Registrar, Ms. Ciara McGoldrick, was appointed for the interim period.

5. Council / Committee Members' Remuneration	2013 €	2012 €
Council / Committee members' remuneration	177,834	173,892
Council / Committee members' expenses	44,458	50,511
	222,292	224,403

6. Taxation	2013 €	2012 €
Adjustments in respect of prior periods	-	(16,455)
	-	(16,455)

The PSI is exempt from liability to Corporation Tax under Section 227 of the Taxes Consolidation Act 1997.

Notes to the Financial Statements
for the year ended 31st December 2013

7. Tangible Assets	Freehold property	Premises improve-ments €	Office equipment & fittings €	Computer equipment & software €	Portraits, medals & badges €	Total €
Cost						
At 1st January 2013	3,687,386	2,307,564	382,218	858,082	10,431	7,245,681
Additions	-	1,004,284	167,474	40,094	-	1,211,852
At 31 December 2013	3,687,386	3,311,848	549,692	898,176	10,431	8,457,533
Depreciation						
At 1st January 2013	-	-	327,894	655,535	-	983,429
Charge for the year	61,457	130,003	23,803	137,565	-	352,828
At 31st December 2013	61,457	130,003	351,697	793,100	-	1,336,257
Net book values						
At 31st December 2013	3,625,929	3,181,845	197,995	105,076	10,431	7,121,276
At 31st December 2012	*3,687,386*	*2,307,564*	*54,324*	*202,547*	*10,431*	*6,262,252*

The PSI moved to its new headquarters, PSI House, Fenian Street, Dublin 2 in February 2013 following extenstive refurbishment. The refurbishments were fully completed in the year with depreciation being charged on a pro rata basis. As the premises improvements were only fully completed and the property occupied in 2013 it is correctly stated at cost less depreciation in the 2013 accounts. This is in line with FRS 15 on Tangible Fixed Assets.

8. Debtors	2013 €	2012 €
Trade debtors	3,315	23,443
Other debtors	23,821	61,911
Prepayments and accrued income	146,941	403,082
	174,077	488,436

9. Cash	2013 €	2012 €
Cash at hand	108	28
Current accounts	410,001	268,643
Fixed term deposits	11,176,137	10,500,200
Superannuation funds deposit account	2,453,255	1,966,209
Total	14,039,501	12,735,080

Included in cash held in fixed term deposits is the designated legal reserve fund of €2,500,000 and income collected but deferred until periods after the year end.

Notes to the Financial Statements
for the year ended 31st December 2013

10. Creditors: Amounts Falling Due within one year

	2013 €	2012 €
Trade creditors	49,482	26,395
Other taxes and social security costs	147,834	38,463
Deferred fee income	6,221,731	6,015,575
Other creditors	28,060	16,741
Accruals	563,180	297,130
	7,010,287	6,394,304

Deferred income relates to fees received in respect of periods after the year end.

Included in other taxes and social security costs are the following:

	2013 €	2012 €
PAYE/PRSI	86,277	-
VAT	1,043	-
PSWT	60,514	38,463
	147,834	38,463

11. Creditors: amounts falling due after more than one year

	2013 €	2012 €
PSI Superannuation schemes	2,497,796	1,965,089

12. Reserves

	Designated legal reserve €	**Income & expenditure account €**
At 1st January 2013	2,500,000	8,626,375
Surplus for the financial year	-	700,396
At 31st December 2013	2,500,000	9,326,771

In accordance with the PSI's financial strategy a designated legal reserve has been established as a reserve to cover any significant costs arising from legal challenges to any part of the Pharmacy Act 2007 and from any of the PSI's rulings. In accordance with the PSI's accounting policy where such funds are no longer required they will be released back to the General Reserve.

Notes to the Financial Statements
for the year ended 31st December 2013

13. Reconciliation of Movement in Reserves	2013 €	2012 €
Opening reserves	11,126,375	9,182,051
Surplus for the financial year	700,396	1,944,324
Closing reserves	11,826,771	11,126,375

14. Net Cash Flow from Operating Activities	2013 €	2012 €
Operating surplus	596,374	1,627,250
Depreciation of tangible fixed assets	352,828	150,127
Loss on disposal of tangible fixed assets	-	3,799
Decrease in stocks	-	1,277
Decrease in debtors	314,359	6,333,934
Increase/ (decrease) in creditors	1,148,690	(47,623)
Net cash inflow from operating activities	2,412,251	8,068,764

15. Analysis of Cash Flows for Headings Netted in Cash Flow Statement	2013 €	2012 €
Returns on investments and servicing of finance		
Interest received	104,022	300,619
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,211,852)	(2,474,273)
Disposal of tangible fixed assets	-	200
Net cash outflow from capital expenditure	(1,211,852)	(2,474,073)

Notes to the Financial Statements
for the year ended 31st December 2013

16. Analysis of changes in net funds

	1 January 2013 €	Cash flow €	Other non-cash changes €	31 December 2013 €
Cash at bank and in hand	12,735,080	1,304,421	-	14,039,501
Net funds	12,735,080	1,304,421	-	14,039,501

17. Pension Commitments

Schedule 1 of the Pharmacy Act 2007 requires the PSI to provide suitable superannuation schemes for the granting of retirement benefits to its staff.

The PSI operates two pension schemes which are called the PSI Staff Superannuation Schemes 2009 and the Single Public Service Pension Scheme.

PSI Staff Superannuation Schemes 2009

In 2009, the Minister of Health approved the operation of two defined benefit schemes for the PSI based on the Public Service Superannuation (Miscellaneous Provisions) Act 2004. The Schemes comprise both the Staff Superannuation Scheme and the Spouse's and Children's Contributory Pension Schemes.

The Schemes officially commenced on the 22nd May 2007 with collection of contributions commencing on the 1st April 2009. The funding mechanism for the Schemes has not yet been approved by the Department of Public Expenditure and Reform. As such the PSI is currently holding the collected contributions for these Schemes in a designated deposit account until such time as the funding mechanism is formally approved.

Under these circumstances and in view of the above, it is the view of the PSI that the provisions of Financial Reporting Standard 17, Accounting for Retirement Benefits are currently not appropriate. Accordingly it is accounting for its contributions as if the Scheme was a defined contribution scheme.

The PSI makes an agreed contribution to the Schemes and contributions comprise an employee element together with the agreed employer element.

The contributions are payable by the PSI and accrued in the year they become payable. The Schemes were closed to new entrants to the public sector as of the 31st December 2012.

The PSI is satisfied that the scheme's assets are in excess of its liabilities following a review of the schemes by an independent actuary.

The PSI has been in consultation with both the Department of Finance and the Department of Public Expenditure and Reform in relation to the funding mechanism for these Superannuation Schemes and a formal decision is expected during 2014.

Notes to the Financial Statements
for the year ended 31st December 2013

17. Pension Commitments (Continued)

The Single Public Service Pension Scheme

The Single Public Service Pension Scheme came into effect on the 1st January 2013 as provided for in the Public Service Pensions (Single Scheme and other Provisions) Act 2012.

The Single Scheme applies to all pensionable first-time entrants to the public service as well as to former public servants returning to the public service after a break of more than 26 weeks. The Scheme is a defined benefits scheme with pension benefits payable under this scheme being paid directly by the Exchequer.

The PSI is responsible for collecting and remitting contributions for this Scheme to the Department of Public Expenditure and Reform. Contributions comprise both an employer and employee element.

At the 31st December 2013 there were three members enrolled and contributing to this scheme.

As superannuation benefits under this Scheme are directly funded by the Exchequer, the PSI considers that its pension arrangements as described above have the same financial effect from the PSI's point of view as a defined contribution scheme.

The PSI is of the view that the provisions of FRS 17, Accounting for Retirement Benefits, which arise under defined benefit schemes are not appropriate in these circumstances.

18. Controlling Party

The PSI is controlled by the Council subject to the provisions of the Pharmacy Act 2007.

19. Events After The Balance Sheet Date

There have been no other circumstances or events subsequent to the year end, which require adjustment to, or disclosure in the financial statements or in the notes thereto.

20. Approval of Financial Statements

The Council approved these financial statements and authorised them for issue on 27th March 2014.

Appendix A

Attendance of Council Members in 2013

Council Member	No. of Meetings attended*
Mr. Jim Brophy	7/9
Ms. Nicola Cantwell	4/5
Ms. Leonie Clarke	9/9
Mr. Richard Collis	5/5
Mr. John Corr	6/9
Dr. Ann Frankish	6/9
Mr. Eoghan Hanly	8/9
Dr. Jean Holohan	6/9
Dr. Chantelle Macnamara	4/5
Prof. Kieran Murphy	1/3
Prof. Ciaran O'Boyle	5/9
Mr. Fionán Ó Cuinnegáin	7/9
Mr. Pat O'Dowd	5/5
Prof. Caitriona O'Driscoll	8/9
Mr. Keith O'Hourihane	8/9
Mr. Conor Phelan	5/5
Ms. Rita Purcell	3/9
Mr. Noel Stenson	9/9
Council members who were in office for a period of 2013	
Mr. John Collins	4/4
Ms. Margaret Doherty	4/4
Mr. Paul Fahey	4/4
Mr. Aidan Horan	2/4
Ms. Ita Kelleher	4/4
Ms. Deirdre Larkin	3/4
Prof. Ken McDonald	0/1
Mr. Fachtna Murphy	3/4
Ms. Michelle Ní Longáin	4/4

*The number of meetings attended varies due to varying dates of appointment.

Appendix B

Attendance of Committee Members in 2013

Pharmacy Practice Development Committee

Council Member	No. of Meetings attended*
Ms. Margaret Doherty (Chair)	2/2
Ms. Ita Kelleher	2/2
Dr. Ann Frankish	2/4
Prof. Ken McDonald	0/1
Mr. Keith O'Hourihane (Chair)	3/4
Mr. Noel Stenson	2/2
Mr. John Corr	4/4
Mr. Raymond Anderson	3/4
Mr Finbar Lennon	3/4
Dr Tamasine Grimes	4/4
Ms Mary Culliton	3/4
Ms Clare Ward	3/4

Registration and Qualification Recognition Committee

Council Member	No. of Meetings attended*
Dr. Ann Frankish (Chair)	2/2
Mr. John Collins (Outgoing Chair)	2/2
Prof. Caitriona O'Driscoll	4/ 5
Ms. Michelle Ní Longáin	1/2
Dr. Denis Doherty	3/5
Dr. John Hillery	3/4
Ms. Noeleen Harvey	2/3
Dr. Bernard Leddy	4/4
Mr. John Lynch	4/5
Dr. Chantelle Macnamara	1/2
Mr. Pat O'Dowd	2/2

Appendix B (Continued)

Attendance of Committee Members in 2013

Inspection and Enforcement Committee

Council Member	No. of Meetings attended*
Ms. Leonie Clarke (Chair)	5/5
Mr. Fachtna Murphy	2/2
Dr. Willliam Boles	5/5
Mr. Tom Collins	4/5
Dr. Mike Morris	3/5
Mr. Martin Higgins	3/5
Ms. Deirdre Larkin	2/2
Dr. Ann Frankish	3/5
Mr. Keith O'Hourihane	2/3
Mr. Richard Collis	2/2

Professional Development and Learning Committee

Council Member	No. of Meetings attended*
Mr. Fionán Ó Cuinnegáin (Chair)	5/5
Mr. Noel Stenson (Outgoing Chair)	3/3
Prof. Ciaran O'Boyle	1/5
Prof. Caitriona O'Driscoll	2/5
Ms. Nicola Cantwell	2/2
Ms. Ita Kelleher	2/2
Ms. Margaret Doherty	2/2
Dr. Jean Holohan	0/4
Mr. Tim Delaney	2/5
Ms. Pauline Kavanagh	4/5
Ms. Meghan Kearney	4/5
Ms. Niamh McMahon	5/5
Ms. Aoife McAuliffe	2/5
Mr. Stephen McMahon	2/5
Mr. Stephen Nolan	3/5
Ms. Yvonne Sheehan	2/5

Appendix B (Continued)

Attendance of Committee Members in 2013

Administration and Finance Committee

Committee Members	No. of Meetings attended*
Ms. Rita Purcell (Chair)	3/3
Mr. John Corr	2/3
Ms. Leonie Clarke	2/3
Mr. Conor Phelan	2/2
Mr. Jim Brophy	2/2
Dr. Ann Frankish	0/1
Mr. Fachtna Murphy	1/1
Mr. Aidan Horan	1/1
Ms. Deirdre Larkin	1/1

Audit Committee

Committee members	No. of Meetings attended*
Mr. Ray Dolan (Chair)	4/4
Ms. Eugenie Canavan	4/4
Mr. Noel Conroy	3/3
Mr. Dermot Magan	3/4
Mr. Pat O'Byrne	4/4
Mr. Pat O'Dowd	1/2
Ms. Noreen Fahy	1/1

Chairpersons Committee

Committee members	No. of Meetings attended*
Mr. Fionán Ó Cuinnegáin (Chair)	1/1
Mr. Paul Fahey	1/1
Ms. Leonie Clarke	1/1
Mr. Noel Stenson	1/1
Ms. Margaret Doherty	1/1
Mr. Eoghan Hanly	1/1
Mr. John Collins	0/1
Ms. Rita Purcell	0/1

*The number of meetings attended varies due to varying dates of appointment

Appendix C

Fees and Expenses Paid to Council Members in 2013

Council Member	Fees Paid in 2013* €	Expenses Paid in 2013** €
Council Members who were in office as at 31st December 2013		
Mr. Jim Brophy	7,695	0
Ms. Nicola Cantwell	N/A	198
Ms. Leonie Clarke	7,695	0
Mr. Richard Collis	4,129	0
Mr. John Corr	7,695	3,348
Dr. Ann Frankish	2,549	0
Mr. Eoghan Hanly	9,373	13,668
Dr. Jean Holohan	7,695	1,362
Dr. Chantelle Macnamara	4,129	376
Prof. Kieran Murphy	N/A	0
Prof. Ciaran O'Boyle	7,695	0
Mr. Fionan Ó Cuinnegáin	7,695	0
Mr. Pat O'Dowd	N/A	541
Prof. Caitriona O'Driscoll	N/A	0
Mr. Keith O'Hourihane	7,695	7,351
Mr. Conor Phelan	4,129	1,896
Ms. Rita Purcell	N/A	0
Mr. Noel Stenson	7,695	11,662
Council members who were in office for a period of 2013		
Mr. John Collins	2,949	1,522
Ms. Margaret Doherty	2,949	0
Mr. Paul Fahey	4,588	2,464
Mr. Aidan Horan	N/A	0
Ms. Ita Kelleher	2,949	237
Ms. Deirdre Larkin	2,949	0
Prof. Ken McDonald	N/A	0
Mr. Fachtna Murphy	2,949	0
Ms. Michelle Ni Longáin	2,949	0

*Council Members employed in the public sector were not paid fees in 2013

**Aggregate expenses claimed for and paid in the 2013 period.

Appendix D

Review of energy usage in 2013

PSI personnel occupy 2,000 m^2 of office space located in Dublin. In 2013, the PSI consumed 581,573 kWh of energy, consisting of:

- 285,580 kWh of electricity;
- 295,993 kWh of fossil fuels;

Actions Undertaken in 2013

In February 2013 the PSI moved to its new headquarters in Fenian Street, Dublin 2. The new premises employs a very cost effective and efficient energy management system, including using both natural and mechanical ventilation, the use of motion detection lighting systems and an intelligent building management system which monitors the energy usage and adjusts according to the environmental conditions.

Actions Planned for 2014

The PSI will enhance management of the air conditioning system by running some floors which are predominantly meeting rooms at a lower usage level which should lower costs. The PSI is also introducing more energy sensors. The PSI intends to implement a training course for staff members to be able to read and analyse the systems and adjust usage accordingly. The PSI will continue to monitor ventilation units and boilers to ensure there is optimal usage in 2014.

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